



Global Asset
Management

RBC FUNDS AND RBC PRIVATE POOLS

2018 Annual Financial Statements

MANAGEMENT'S RESPONSIBILITY**FOR FINANCIAL REPORTING**

3

INDEPENDENT AUDITOR'S REPORT

4

RBC FUNDS**MONEY MARKET FUNDS**

RBC Canadian T-Bill Fund	7
RBC Canadian Money Market Fund	13
RBC Premium Money Market Fund	19
RBC \$U.S. Money Market Fund	25
RBC Premium \$U.S. Money Market Fund	31

FIXED-INCOME FUNDS

RBC Canadian Short-Term Income Fund	37
RBC \$U.S. Short-Term Corporate Bond Fund	48
RBC Monthly Income Bond Fund	54
RBC Canadian Bond Index Fund	60
RBC Canadian Government Bond Index Fund	66
RBC Bond Fund	72
RBC Vision Bond Fund	94
RBC Global Bond Fund	105
RBC Global Bond & Currency Fund	124
RBC \$U.S. Investment Grade Corporate Bond Fund	131
RBC Global Corporate Bond Fund	140
RBC High Yield Bond Fund	175
RBC \$U.S. High Yield Bond Fund	186
RBC Global High Yield Bond Fund	196
RBC Strategic Income Bond Fund	213
RBC \$U.S. Strategic Income Bond Fund	220
RBC Emerging Markets Foreign Exchange Fund	226
RBC Emerging Markets Bond Fund	235
RBC Emerging Markets Bond Fund (CAD Hedged)	247
BlueBay Global Monthly Income Bond Fund	254
BlueBay Global Sovereign Bond Fund (Canada)	280
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	289
BlueBay European High Yield Bond Fund (Canada)	300
BlueBay Emerging Markets Bond Fund (Canada)	311
BlueBay Emerging Markets Local Currency Bond Fund (Canada)	322
BlueBay Emerging Markets Corporate Bond Fund	331
BlueBay Global Convertible Bond Fund (Canada)	344
BlueBay \$U.S. Global Convertible Bond Fund (Canada)	357
RBC Conservative Bond Pool	369
RBC Core Bond Pool	376
RBC Core Plus Bond Pool	382

MANAGED PAYOUT SOLUTIONS

RBC Managed Payout Solution	388
RBC Managed Payout Solution – Enhanced	395
RBC Managed Payout Solution – Enhanced Plus	402

BALANCED FUNDS AND PORTFOLIO SOLUTIONS

RBC Monthly Income Fund	409
RBC U.S. Monthly Income Fund	425
RBC Balanced Fund	438
RBC Global Balanced Fund	458
RBC Vision Balanced Fund	476
RBC Conservative Growth & Income Fund	488
RBC Balanced Growth & Income Fund	496
RBC Global Growth & Income Fund	507
RBC Retirement Income Solution	514
RBC Retirement 2020 Portfolio	521
RBC Retirement 2025 Portfolio	528
RBC Retirement 2030 Portfolio	535
RBC Retirement 2035 Portfolio	542
RBC Retirement 2040 Portfolio	549
RBC Retirement 2045 Portfolio	556
RBC Retirement 2050 Portfolio	563
RBC Select Very Conservative Portfolio	570
RBC Select Conservative Portfolio	579
RBC Select Balanced Portfolio	588
RBC Select Growth Portfolio	597
RBC Select Aggressive Growth Portfolio	606
RBC Select Choices Conservative Portfolio	614
RBC Select Choices Balanced Portfolio	621
RBC Select Choices Growth Portfolio	628
RBC Select Choices Aggressive Growth Portfolio	635
RBC Target 2020 Education Fund	642
RBC Target 2025 Education Fund	649
RBC Target 2030 Education Fund	656
RBC Target 2035 Education Fund	663

CANADIAN EQUITY FUNDS

RBC Canadian Dividend Fund	670
RBC Canadian Equity Fund	680
RBC QUBE Canadian Equity Fund	691
RBC QUBE Low Volatility Canadian Equity Fund	698
RBC Trend Canadian Equity Fund	706
RBC Vision Canadian Equity Fund	712
RBC Canadian Index Fund	720
RBC O'Shaughnessy Canadian Equity Fund	728
RBC O'Shaughnessy All-Canadian Equity Fund	736
RBC Canadian Equity Income Fund	743
RBC Canadian Small & Mid-Cap Resources Fund	752

NORTH AMERICAN EQUITY FUNDS

RBC North American Value Fund	758
RBC North American Growth Fund	769

U.S. EQUITY FUNDS

RBC U.S. Dividend Fund	779
RBC U.S. Dividend Currency Neutral Fund	788
RBC U.S. Equity Fund	797
RBC U.S. Equity Currency Neutral Fund	805
RBC QUBE U.S. Equity Fund	814
RBC QUBE Low Volatility U.S. Equity Fund	821
RBC QUBE Low Volatility U.S. Equity Currency Neutral Fund	829
RBC U.S. Equity Value Fund	837
RBC U.S. Index Fund	845
RBC U.S. Index Currency Neutral Fund	858
RBC O'Shaughnessy U.S. Value Fund (Unhedged)	865
RBC O'Shaughnessy U.S. Value Fund	871
RBC U.S. Mid-Cap Growth Equity Fund	879
RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund	887
RBC U.S. Mid-Cap Value Equity Fund	895
RBC U.S. Small-Cap Core Equity Fund	902
RBC U.S. Small-Cap Value Equity Fund	910
RBC O'Shaughnessy U.S. Growth Fund	918
RBC O'Shaughnessy U.S. Growth Fund II	927
RBC Life Science and Technology Fund	935

INTERNATIONAL EQUITY FUNDS

RBC International Dividend Growth Fund	942
RBC International Equity Fund	952
RBC International Equity Currency Neutral Fund	962
RBC International Index Currency Neutral Fund	970
RBC O'Shaughnessy International Equity Fund	977
RBC European Dividend Fund	986
RBC European Equity Fund	994
RBC European Mid-Cap Equity Fund	1003
RBC Asian Equity Fund	1012
RBC Asia Pacific ex-Japan Equity Fund	1018
RBC Japanese Equity Fund	1026
RBC Emerging Markets Multi-Strategy Equity Fund	1034
RBC Emerging Markets Dividend Fund	1040
RBC Emerging Markets Equity Fund	1048
RBC Emerging Markets Small-Cap Equity Fund	1056

GLOBAL EQUITY FUNDS

RBC Global Dividend Growth Fund	1064
RBC Global Dividend Growth Currency Neutral Fund	1073
RBC Global Equity Fund	1082
RBC Global Equity Focus Fund	1090

GLOBAL EQUITY FUNDS (cont.)

RBC Global Equity Focus Currency Neutral Fund	1097
RBC QUBE Global Equity Fund	1104
RBC QUBE Low Volatility Global Equity Fund	1111
RBC QUBE Low Volatility Global Equity Currency Neutral Fund	1120
RBC Vision Global Equity Fund	1127
RBC Vision Fossil Fuel Free Global Equity Fund	1134
RBC O'Shaughnessy Global Equity Fund	1140
RBC QUBE All Country World Equity Fund	1149
RBC QUBE Low Volatility All Country World Equity Fund	1156
RBC Global Energy Fund	1163
RBC Global Precious Metals Fund	1171
RBC Global Resources Fund	1179
RBC Global Technology Fund	1187

RBC PRIVATE POOLS**FIXED INCOME**

RBC Private Short-Term Income Pool	1196
RBC Private Canadian Corporate Bond Pool	1205

BALANCED

RBC Private Income Pool	1216

CANADIAN EQUITY

RBC Private Canadian Dividend Pool	1223
RBC Private Canadian Growth and Income Equity Pool <i>renamed RBC Private Fundamental Canadian Equity Pool</i>	1230
RBC Private Canadian Equity Pool	1236
RBC Private Canadian Growth Equity Pool	1243
RBC Private Canadian Mid-Cap Equity Pool	1249

U.S. EQUITY

RBC Private U.S. Large-Cap Value Equity Pool	1256
RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool	1262
RBC Private U.S. Growth Equity Pool	1268
RBC Private U.S. Large-Cap Core Equity Pool	1274
RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool	1281
RBC Private U.S. Small-Cap Equity Pool	1287

INTERNATIONAL AND GLOBAL EQUITY

RBC Private EAFE Equity Pool	1293
RBC Private Overseas Equity Pool	1300
RBC Private World Equity Pool	1306

GENERIC NOTES TO FINANCIAL STATEMENTS

CONTACT US	1322

The accompanying financial statements have been prepared by RBC Global Asset Management Inc. ("RBC GAM") as manager of the RBC GAM Investment Funds (the "Funds") and approved by the Board of Directors of RBC GAM. We are responsible for the information contained within the financial statements.

We have maintained appropriate procedures and controls to ensure that timely and reliable financial information is produced. The financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") (and they include certain amounts that are based on estimates and judgments). The significant accounting policies, which we believe are appropriate for the Funds, are described in Note 3 to the financial statements.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, have performed an independent audit of the financial statements in accordance with IFRS. Their report is set out on the next page.



Damon G. Williams, FSA, FCIA, CFA

Chief Executive Officer

RBC Global Asset Management Inc.

March 11, 2019



Heidi Johnston, CPA, CA

Chief Financial Officer

RBC GAM Funds

To the Unitholders and Trustee of

RBC FUNDS & RBC PRIVATE POOLS

RBC Canadian T-Bill Fund
 RBC Canadian Money Market Fund
 RBC Premium Money Market Fund
 RBC \$U.S. Money Market Fund
 RBC Premium \$U.S. Money Market Fund
 RBC Canadian Short-Term Income Fund
 RBC \$U.S. Short-Term Corporate Bond Fund
 RBC Monthly Income Bond Fund
 RBC Canadian Bond Index Fund
 RBC Canadian Government Bond Index Fund
 RBC Bond Fund
 RBC Vision Bond Fund
 RBC Global Bond Fund
 RBC Global Bond & Currency Fund
 RBC \$U.S. Investment Grade Corporate Bond Fund
 RBC Global Corporate Bond Fund
 RBC High Yield Bond Fund
 RBC \$U.S. High Yield Bond Fund
 RBC Global High Yield Bond Fund
 RBC Strategic Income Bond Fund
 RBC \$U.S. Strategic Income Bond Fund
 RBC Emerging Markets Foreign Exchange Fund
 RBC Emerging Markets Bond Fund
 RBC Emerging Markets Bond Fund (CAD Hedged)
 BlueBay Global Monthly Income Bond Fund
 BlueBay Global Sovereign Bond Fund (Canada)
 BlueBay Global Investment Grade Corporate Bond Fund (Canada)
 BlueBay European High Yield Bond Fund (Canada)
 BlueBay Emerging Markets Bond Fund (Canada)
 BlueBay Emerging Markets Local Currency Bond Fund (Canada)
 BlueBay Emerging Markets Corporate Bond Fund
 BlueBay Global Convertible Bond Fund (Canada)
 BlueBay \$U.S. Global Convertible Bond Fund (Canada)
 RBC Conservative Bond Pool
 RBC Core Bond Pool
 RBC Core Plus Bond Pool
 RBC Managed Payout Solution
 RBC Managed Payout Solution – Enhanced
 RBC Managed Payout Solution – Enhanced Plus
 RBC Monthly Income Fund
 RBC U.S. Monthly Income Fund
 RBC Balanced Fund
 RBC Global Balanced Fund
 RBC Vision Balanced Fund
 RBC Conservative Growth & Income Fund
 RBC Balanced Growth & Income Fund
 RBC Global Growth & Income Fund
 RBC Retirement Income Solution
 RBC Retirement 2020 Portfolio
 RBC Retirement 2025 Portfolio
 RBC Retirement 2030 Portfolio
 RBC Retirement 2035 Portfolio
 RBC Retirement 2040 Portfolio
 RBC Retirement 2045 Portfolio
 RBC Retirement 2050 Portfolio
 RBC Select Very Conservative Portfolio
 RBC Select Conservative Portfolio
 RBC Select Balanced Portfolio
 RBC Select Growth Portfolio
 RBC Select Aggressive Growth Portfolio
 RBC Select Choices Conservative Portfolio
 RBC Select Choices Balanced Portfolio
 RBC Select Choices Growth Portfolio
 RBC Select Choices Aggressive Growth Portfolio
 RBC Target 2020 Education Fund

RBC Target 2025 Education Fund
 RBC Target 2030 Education Fund
 RBC Target 2035 Education Fund
 RBC Canadian Dividend Fund
 RBC Canadian Equity Fund
 RBC QUBE Canadian Equity Fund
 RBC QUBE Low Volatility Canadian Equity Fund
 RBC Trend Canadian Equity Fund
 RBC Vision Canadian Equity Fund
 RBC Canadian Index Fund
 RBC O'Shaughnessy Canadian Equity Fund
 RBC O'Shaughnessy All-Canadian Equity Fund
 RBC Canadian Equity Income Fund
 RBC Canadian Small & Mid-Cap Resources Fund
 RBC North American Value Fund
 RBC North American Growth Fund
 RBC U.S. Dividend Fund
 RBC U.S. Dividend Currency Neutral Fund
 RBC U.S. Equity Fund
 RBC U.S. Equity Currency Neutral Fund
 RBC QUBE U.S. Equity Fund
 RBC QUBE Low Volatility U.S. Equity Fund
 RBC QUBE Low Volatility U.S. Equity Currency Neutral Fund
 RBC U.S. Equity Value Fund
 RBC U.S. Index Fund
 RBC U.S. Index Currency Neutral Fund
 RBC O'Shaughnessy U.S. Value Fund (Unhedged)
 RBC O'Shaughnessy U.S. Value Fund
 RBC U.S. Mid-Cap Growth Equity Fund
 RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund
 RBC U.S. Mid-Cap Value Equity Fund
 RBC U.S. Small-Cap Core Equity Fund
 RBC U.S. Small-Cap Value Equity Fund
 RBC O'Shaughnessy U.S. Growth Fund
 RBC O'Shaughnessy U.S. Growth Fund II
 RBC Life Science and Technology Fund
 RBC International Dividend Growth Fund
 RBC International Equity Fund
 RBC International Equity Currency Neutral Fund
 RBC International Index Currency Neutral Fund
 RBC O'Shaughnessy International Equity Fund
 RBC European Dividend Fund
 RBC European Equity Fund
 RBC European Mid-Cap Equity Fund
 RBC Asian Equity Fund
 RBC Asia Pacific ex-Japan Equity Fund
 RBC Japanese Equity Fund
 RBC Emerging Markets Multi-Strategy Equity Fund
 RBC Emerging Markets Dividend Fund
 RBC Emerging Markets Equity Fund
 RBC Emerging Markets Small-Cap Equity Fund
 RBC Global Dividend Growth Fund
 RBC Global Dividend Growth Currency Neutral Fund
 RBC Global Equity Fund
 RBC Global Equity Focus Fund
 RBC Global Equity Focus Currency Neutral Fund
 RBC QUBE Global Equity Fund
 RBC QUBE Low Volatility Global Equity Fund
 RBC QUBE Low Volatility Global Equity Currency Neutral Fund
 RBC Vision Global Equity Fund
 RBC Vision Fossil Fuel Free Global Equity Fund
 RBC O'Shaughnessy Global Equity Fund
 RBC QUBE All Country World Equity Fund
 RBC QUBE Low Volatility All Country World Equity Fund
 RBC Global Energy Fund
 RBC Global Precious Metals Fund
 RBC Global Resources Fund
 RBC Global Technology Fund

RBC Private Short-Term Income Pool
 RBC Private Canadian Corporate Bond Pool
 RBC Private Income Pool
 RBC Private Canadian Dividend Pool
 RBC Private Canadian Growth and Income Equity Pool (renamed RBC Private Fundamental Canadian Equity Pool)
 RBC Private Canadian Equity Pool
 RBC Private Canadian Growth Equity Pool
 RBC Private Canadian Mid-Cap Equity Pool
 RBC Private U.S. Large-Cap Value Equity Pool
 RBC Private U.S. Large-Cap Value Equity Currency Neutral Pool
 RBC Private U.S. Growth Equity Pool
 RBC Private U.S. Large-Cap Core Equity Pool
 RBC Private U.S. Large-Cap Core Equity Currency Neutral Pool
 RBC Private U.S. Small-Cap Equity Pool
 RBC Private EAFE Equity Pool
 RBC Private Overseas Equity Pool
 RBC Private World Equity Pool

PHILLIPS, HAGER & NORTH INVESTMENT FUNDS

Phillips, Hager & North Canadian Money Market Fund
 Phillips, Hager & North \$U.S. Money Market Fund
 Phillips, Hager & North Short Term Bond & Mortgage Fund
 Phillips, Hager & North Bond Fund
 Phillips, Hager & North Total Return Bond Fund
 Phillips, Hager & North Inflation-Linked Bond Fund
 Phillips, Hager & North High Yield Bond Fund
 Phillips, Hager & North Long Inflation-linked Bond Fund
 Phillips, Hager & North Monthly Income Fund
 Phillips, Hager & North Balanced Fund
 Phillips, Hager & North Dividend Income Fund
 Phillips, Hager & North Canadian Equity Fund
 Phillips, Hager & North Canadian Equity Value Fund
 Phillips, Hager & North Canadian Equity Underlying Fund
 Phillips, Hager & North Canadian Equity Underlying Fund II
 Phillips, Hager & North Canadian Growth Fund
 Phillips, Hager & North Canadian Income Fund
 Phillips, Hager & North Vintage Fund
 Phillips, Hager & North U.S. Dividend Income Fund
 Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund
 Phillips, Hager & North U.S. Equity Fund
 Phillips, Hager & North Currency-Hedged U.S. Equity Fund
 Phillips, Hager & North U.S. Growth Fund
 Phillips, Hager & North Overseas Equity Fund
 Phillips, Hager & North Currency-Hedged Overseas Equity Fund
 Phillips, Hager & North Global Equity Fund
 Phillips, Hager & North LifeTime 2015 Fund
 Phillips, Hager & North LifeTime 2020 Fund
 Phillips, Hager & North LifeTime 2025 Fund
 Phillips, Hager & North LifeTime 2030 Fund
 Phillips, Hager & North LifeTime 2035 Fund
 Phillips, Hager & North LifeTime 2040 Fund
 Phillips, Hager & North LifeTime 2045 Fund
 Phillips, Hager & North LifeTime 2050 Fund
 Phillips, Hager & North LifeTime 2055 Fund
 Phillips, Hager & North Balanced Pension Trust
 Phillips, Hager & North Conservative Equity Income Fund
 Phillips, Hager & North Canadian Equity Pension Trust
 Phillips, Hager & North Small Float Fund
 Phillips, Hager & North Canadian Equity Plus Pension Trust

(collectively, the “Funds”, individually the “Fund”)

Our opinion

In our opinion, the accompanying December 31, 2018 annual financial statements of each of the Funds present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 2 in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The financial statements of each of the Funds comprise:

- the statements of financial position as at the period-end dates indicated in note 2;
- the statements of comprehensive income for the periods indicated in note 2;
- the statements of cash flow for the periods indicated in note 2;
- the statements of changes in net assets attributable to holders of redeemable units ("NAV") for the periods indicated in note 2; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of each of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of each of the Funds. The other information comprises the 2018 Annual Management Report of Fund Performance of each of the Funds.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each of the Funds, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of each of the Funds or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each of the Funds in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of each of the Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any of the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each of the Funds.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole for each Fund are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements of each of the Funds.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of each of the Funds, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of each of the Funds.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each of the Funds to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of each of the Funds or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause any of the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each of the Funds, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

March 11, 2019



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN T-BILL FUND

December 31, 2018

Par Value (000s)	Security	Cost/ Fair Value	% of Net Assets
BANKERS ACCEPTANCES AND BANK OBLIGATIONS			
1 669	Bank of Nova Scotia	\$ 1 670	
		1 670	0.6
FEDERAL OBLIGATIONS			
5 760	Canada Housing Trust No. 1	5 774	
		5 774	1.9
PROVINCIAL OBLIGATIONS			
64 800	Province of Alberta	64 448	
63 450	Province of British Columbia	63 147	
64 190	Province of New Brunswick	63 986	
10 000	Province of Newfoundland and Labrador	9 963	
44 770	Province of Ontario	44 515	
35 440	Province of Quebec	35 345	
6 500	Province of Saskatchewan	6 458	
		287 862	97.3
TOTAL INVESTMENTS		295 306	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		613	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 295 919	100.0

Investments, which are grouped by issuer, earn interest at rates ranging from 1.24% to 2.02% and mature between January 2, 2019 and June 17, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 295 306	\$ 324 689
Cash	5	8
Subscriptions receivable	651	536
Dividends receivable, interest accrued and other assets	747	587
TOTAL ASSETS	296 709	325 820
LIABILITIES		
Redemptions payable	409	219
Distributions payable	270	127
Accounts payable and accrued expenses	111	121
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	790	467
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 295 919	\$ 325 353
Investments at cost	\$ 295 306	\$ 324 689
NAV		
SERIES A	\$ 240 504	\$ 270 209
SERIES D	\$ 55 415	\$ 55 144
NAV PER UNIT		
SERIES A	\$ 10.00	\$ 10.00
SERIES D	\$ 10.00	\$ 10.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 4 627	\$ 2 714
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	4 627	2 714
Securities lending revenue (see note 7 in the generic notes)	4	7
TOTAL OTHER INCOME (LOSS)	4	7
TOTAL INCOME (LOSS)	4 631	2 721
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 240	2 485
Administration fees	283	315
Independent Review Committee costs	2	3
GST/HST	242	266
Expenses reimbursed by manager	(1 407)	(1 567)
TOTAL EXPENSES	1 360	1 502
INCREASE (DECREASE) IN NAV	\$ 3 271	\$ 1 219
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 2 690	\$ 1 024
SERIES D	\$ 581	\$ 195
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.11	\$ 0.04
SERIES D	\$ 0.11	\$ 0.04

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 271	\$ 1 219
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	(160)	(403)
Increase (decrease) in accrued payables	(10)	(15)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 784 814)	(2 526 159)
Proceeds from sale and maturity of investments	1 814 197	2 563 125
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	32 484	37 767
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	78 749	79 736
Cash paid on redemption of redeemable units	(111 311)	(117 547)
Distributions paid to holders of redeemable units	75	50
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (32 487)	\$ (37 761)
Net increase (decrease) in cash for the period	(3)	6
Cash (bank overdraft), beginning of period	8	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 5	\$ 8
Interest received (paid)	\$ 4 467	\$ 2 311
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 270 209	\$ 306 017	\$ 55 144	\$ 55 714	\$ 325 353	\$ 361 731
INCREASE (DECREASE) IN NAV	2 690	1 024	581	195	3 271	1 219
Proceeds from redeemable units issued	57 529	65 400	22 433	14 719	79 962	80 119
Reinvestments of distributions to holders of redeemable units	2 639	989	578	193	3 217	1 182
Redemption of redeemable units	(89 861)	(102 205)	(22 738)	(15 483)	(112 599)	(117 688)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(29 693)	(35 816)	273	(571)	(29 420)	(36 387)
Distributions from net income	(2 702)	(1 016)	(583)	(194)	(3 285)	(1 210)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 702)	(1 016)	(583)	(194)	(3 285)	(1 210)
NET INCREASE (DECREASE) IN NAV	(29 705)	(35 808)	271	(570)	(29 434)	(36 378)
NAV AT END OF PERIOD	\$ 240 504	\$ 270 209	\$ 55 415	\$ 55 144	\$ 295 919	\$ 325 353

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
R-1 (H)	47.9	40.2
R-1 (M)	48.7	59.8
R-1 (L)	3.4	—
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Provincial Obligations	97.3	97.9
Federal Obligations	1.9	1.9
Cash/Other	0.8	0.2
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
0 – 1 month	60.2	20.3
1 – 3 months	27.1	60.5
3 – 6 months	12.7	19.2
6 – 12 months	—	—
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	295 306	—	295 306
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	295 306	—	295 306
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	324 689	—	324 689
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	324 689	—	324 689
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.75%	0.10%
Series D	0.60%	0.05%

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	27 020	30 601
Issued number of units	5 752	6 540
Reinvested number of units	264	99
Redeemed number of units	(8 986)	(10 220)
Ending number of units	24 050	27 020
Series D		
Opening units	5 514	5 571
Issued number of units	2 243	1 472
Reinvested number of units	58	19
Redeemed number of units	(2 274)	(1 548)
Ending number of units	5 541	5 514

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	14 971	10 624
Fair value of collateral received	15 270	10 836

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	5	100	10	100
RBC IS (paid)	(1)	(25)	(3)	(27)
Tax withheld	—	—	—	—
Fund revenue	4	75	7	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN MONEY MARKET FUND

December 31, 2018

Par Value (000s)	Security	Cost/ Fair Value	% of Net Assets
BANKERS ACCEPTANCES AND BANK OBLIGATIONS			
67 910	Bank of Montreal	\$ 67 715	
104 430	Bank of Nova Scotia	104 061	
160 082	Canadian Imperial Bank of Commerce	158 474	
78 960	HSBC Bank Canada	78 737	
58 370	National Bank of Canada	58 112	
125 875	Toronto-Dominion Bank	124 746	
		591 845	31.1
COMMERCIAL PAPER			
75 945	Banner Trust	75 665	
58 490	Bay Street Funding Trust - Class A	57 955	
67 900	BNP Paribas Capital Trust	67 563	
26 220	Canadian Master Trust - Series A	26 075	
56 600	Clarity Trust	56 001	
88 190	Enbridge Pipelines Inc.	88 022	
50 550	Fusion Trust	49 986	
3 200	Greater Toronto Airports Authority	3 183	
4 520	Husky Energy Inc.	4 512	
60 000	Inter Pipeline Ltd.	59 812	
49 030	King Street Funding Trust	48 680	
71 060	Merit Trust - Senior Notes	70 650	
5 560	Nissan Canada Financial Services Inc.	5 549	
91 550	Prime Trust - Senior Notes	91 112	
50 000	Ridge Trust	49 585	
89 120	SAFE Trust - Series 1996-1	88 423	
88 810	SOUND Trust	88 344	
92 260	STABLE Trust	91 690	
88 360	SURE Trust	87 888	
15 440	TMX Group Ltd.	15 387	
82 250	Zeus Receivables Trust - Senior Notes	81 872	
		1 207 954	63.5
PROVINCIAL OBLIGATIONS			
50 710	Province of Alberta	50 510	
10 810	Province of Manitoba	10 762	
21 420	Province of New Brunswick	21 341	
7 680	Province of Ontario	7 644	
3 740	Province of Quebec	3 730	
1 100	Province of Saskatchewan	1 098	
		95 085	5.0
TOTAL INVESTMENTS			
		1 894 884	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		7 110	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		\$ 1 901 994	100.0

Investments, which are grouped by issuer, earn interest at rates ranging from 1.73% to 2.42% and mature between January 2, 2019 and June 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 894 884	\$ 1 565 271
Cash	54	13
Subscriptions receivable	7 069	8 257
Dividends receivable, interest accrued and other assets	5 920	2 966
TOTAL ASSETS	1 907 927	1 576 507
LIABILITIES		
Redemptions payable	3 763	3 234
Distributions payable	1 558	656
Accounts payable and accrued expenses	612	648
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5 933	4 538
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 901 994	\$ 1 571 969
Investments at cost	\$ 1 894 884	\$ 1 565 271
NAV		
SERIES A	\$ 954 397	\$ 1 048 238
ADVISOR SERIES	\$ 12 153	\$ 13 676
SERIES D	\$ 161 757	\$ 161 812
SERIES F	\$ 48 830	\$ 24 381
SERIES O	\$ 724 857	\$ 323 862
NAV PER UNIT		
SERIES A	\$ 10.00	\$ 10.00
ADVISOR SERIES	\$ 10.00	\$ 10.00
SERIES D	\$ 10.00	\$ 10.00
SERIES F	\$ 10.00	\$ 10.00
SERIES O	\$ 10.00	\$ 10.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 31 916	\$ 17 359
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	31 916	17 359
Other income (loss)	8	—
TOTAL OTHER INCOME (LOSS)	8	—
TOTAL INCOME (LOSS)	31 924	17 359
EXPENSES (see notes – Fund Specific Information)		
Management fees	8 658	9 680
Administration fees	1 221	1 284
Independent Review Committee costs	2	3
GST/HST	997	1 101
Expenses reimbursed by manager	(3 502)	(3 966)
TOTAL EXPENSES	7 376	8 102
INCREASE (DECREASE) IN NAV	\$ 24 548	\$ 9 257
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 11 303	\$ 5 376
ADVISOR SERIES	\$ 129	\$ 66
SERIES D	\$ 1 848	\$ 786
SERIES F	\$ 418	\$ 120
SERIES O	\$ 10 850	\$ 2 909
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.11	\$ 0.05
ADVISOR SERIES	\$ 0.11	\$ 0.05
SERIES D	\$ 0.11	\$ 0.05
SERIES F	\$ 0.12	\$ 0.05
SERIES O	\$ 0.17	\$ 0.11



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 24 548	\$ 9 257
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	(2 954)	610
Increase (decrease) in accrued payables	(36)	(80)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(9 864 005)	(7 575 840)
Proceeds from sale and maturity of investments	9 534 392	7 592 685
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(308 055)	26 632
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 703 718	809 051
Cash paid on redemption of redeemable units	(1 393 233)	(835 358)
Distributions paid to holders of redeemable units	(2 389)	(341)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 308 096	\$ (26 648)
Net increase (decrease) in cash for the period	41	(16)
Cash (bank overdraft), beginning of period	13	29
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 54	\$ 13
Interest received (paid)	\$ 28 962	\$ 17 969
Dividends received, net of withholding taxes	\$ 8	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 048 238	\$ 1 224 869	\$ 13 676	\$ 14 759	\$ 161 812	\$ 164 136	\$ 24 381	\$ 12 499
INCREASE (DECREASE) IN NAV	11 303	5 376	129	66	1 848	786	418	120
Proceeds from redeemable units issued	446 280	396 393	12 198	16 866	101 566	76 131	111 773	50 345
Reinvestments of distributions to holders of redeemable units	11 101	5 227	125	63	1 840	773	199	69
Redemption of redeemable units	(551 169)	(578 288)	(13 845)	(18 012)	(103 452)	(79 234)	(87 523)	(38 533)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(93 788)	(176 668)	(1 522)	(1 083)	(46)	(2 330)	24 449	11 881
Distributions from net income	(11 356)	(5 339)	(130)	(66)	(1 857)	(780)	(418)	(119)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(11 356)	(5 339)	(130)	(66)	(1 857)	(780)	(418)	(119)
NET INCREASE (DECREASE) IN NAV	(93 841)	(176 631)	(1 523)	(1 083)	(55)	(2 324)	24 449	11 882
NAV AT END OF PERIOD	\$ 954 397	\$ 1 048 238	\$ 12 153	\$ 13 676	\$ 161 757	\$ 161 812	\$ 48 830	\$ 24 381

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 323 862	\$ 168 559	\$ 1 571 969	\$ 1 584 822
INCREASE (DECREASE) IN NAV	10 850	2 909	24 548	9 257
Proceeds from redeemable units issued	1 039 861	285 747	1 711 678	825 482
Reinvestments of distributions to holders of redeemable units	8 071	2 432	21 336	8 564
Redemption of redeemable units	(646 921)	(132 891)	(1 402 910)	(846 958)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	401 011	155 288	330 104	(12 912)
Distributions from net income	(10 866)	(2 894)	(24 627)	(9 198)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 866)	(2 894)	(24 627)	(9 198)
NET INCREASE (DECREASE) IN NAV	400 995	155 303	330 025	(12 853)
NAV AT END OF PERIOD	\$ 724 857	\$ 323 862	\$ 1 901 994	\$ 1 571 969



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide current income and liquidity consistent with short-term money-market interest rates while preserving the value of the investment.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
R-1 (H)	80.2	76.9
R-1 (M)	10.0	13.9
R-1 (L)	9.8	9.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Commercial Paper	63.5	64.6
Bankers Acceptances and Bank Obligations	31.1	28.7
Provincial Obligations	5.0	6.3
Cash/Other	0.4	0.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
0 – 1 month	43.3	36.7
1 – 3 months	43.9	46.0
3 – 6 months	12.8	17.3
6 – 12 months	–	–
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 894 884	–	1 894 884
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 894 884	–	1 894 884
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 565 271	–	1 565 271
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 565 271	–	1 565 271
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.75%	0.10%
Advisor Series	0.75%	0.05%
Series D	0.60%	0.05%
Series F	0.50%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	104 818	122 485
Issued number of units	44 629	39 639
Reinvested number of units	1 110	523
Redeemed number of units	(55 117)	(57 829)
Ending number of units	95 440	104 818

Advisor Series

Opening units	1 368	1 476
Issued number of units	1 218	1 687
Reinvested number of units	13	6
Redeemed number of units	(1 384)	(1 801)
Ending number of units	1 215	1 368

Series D

Opening units	16 180	16 413
Issued number of units	10 157	7 613
Reinvested number of units	184	77
Redeemed number of units	(10 345)	(7 923)
Ending number of units	16 176	16 180

Series F

Opening units	2 438	1 250
Issued number of units	11 177	5 034
Reinvested number of units	20	7
Redeemed number of units	(8 752)	(3 853)
Ending number of units	4 883	2 438

Series O

Opening units	32 385	16 856
Issued number of units	103 986	28 575
Reinvested number of units	807	243
Redeemed number of units	(64 692)	(13 289)
Ending number of units	72 486	32 385

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	1	100
RBC IS (paid)	—	(25)	—	(25)
Tax withheld	—	—	—	—
Fund revenue	—	75	1	75

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Select Choices Balanced Portfolio	0.1	0.1
RBC Select Choices Conservative Portfolio	—	0.1
RBC Select Choices Growth Portfolio	0.1	0.1
RBC Short Term Income Class	0.8	0.7
RBC Target 2020 Education Fund	16.3	6.9
Total	17.3	7.9



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PREMIUM MONEY MARKET FUND

December 31, 2018

Par Value (000s)	Security	Cost/ Fair Value	% of Net Assets
BANKERS ACCEPTANCES AND BANK OBLIGATIONS			
53 160	Bank of Montreal	\$ 52 952	
87 560	Bank of Nova Scotia	87 131	
94 863	Canadian Imperial Bank of Commerce	93 794	
62 260	HSBC Bank Canada	62 022	
26 540	National Bank of Canada	26 495	
71 840	Toronto-Dominion Bank	71 574	
		393 968	29.9
COMMERCIAL PAPER			
49 365	Banner Trust	49 143	
53 840	Bay Street Funding Trust - Class A	53 293	
59 630	BNP Paribas Capital Trust	59 381	
25 000	Canadian Master Trust - Series A	24 888	
56 980	Clarity Trust	56 372	
40 180	Enbridge Pipelines Inc.	40 108	
26 780	Fusion Trust	26 504	
12 170	Husky Energy Inc.	12 134	
60 000	Inter Pipeline Ltd.	59 759	
26 500	King Street Funding Trust	26 273	
65 310	Merit Trust - Senior Notes	64 966	
5 000	Nissan Canada Financial Services Inc.	4 989	
53 730	Prime Trust - Senior Notes	53 364	
32 780	Ridge Trust	32 526	
59 610	SAFE Trust - Series 1996-1	59 007	
62 440	SOUND Trust	62 111	
63 090	STABLE Trust	62 661	
63 660	SURE Trust	63 341	
44 250	Zeus Receivables Trust - Senior Notes	44 124	
		854 944	65.0
PROVINCIAL OBLIGATIONS			
42 910	Province of Alberta	42 729	
1 000	Province of British Columbia	995	
577	Province of Manitoba	575	
2 130	Province of New Brunswick	2 120	
19 570	Province of Ontario	19 478	
		65 897	5.0
TOTAL INVESTMENTS			
		1 314 809	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		626	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		\$ 1 315 435	100.0

Investments, which are grouped by issuer, earn interest at rates ranging from 1.73% to 2.33% and mature between January 2, 2019 and June 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 314 809	\$ 1 238 043
Cash	55	53
Subscriptions receivable	4 402	7 144
Dividends receivable, interest accrued and other assets	4 224	2 242
TOTAL ASSETS	1 323 490	1 247 482
LIABILITIES		
Redemptions payable	6 456	1 368
Distributions payable	1 223	676
Accounts payable and accrued expenses	376	366
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	8 055	2 410
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 315 435	\$ 1 245 072
Investments at cost	\$ 1 314 809	\$ 1 238 043
NAV		
SERIES A	\$ 1 196 494	\$ 1 215 455
SERIES F	\$ 118 941	\$ 29 617
NAV PER UNIT		
SERIES A	\$ 10.00	\$ 10.00
SERIES F	\$ 10.00	\$ 10.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 21 895	\$ 14 064
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	21 895	14 064
Securities lending revenue (see note 7 in the generic notes)	—	2
TOTAL OTHER INCOME (LOSS)	—	2
TOTAL INCOME (LOSS)	21 895	14 066
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 696	3 909
Administration fees	249	260
Independent Review Committee costs	2	3
GST/HST	401	410
TOTAL EXPENSES	4 348	4 582
INCREASE (DECREASE) IN NAV	\$ 17 547	\$ 9 484
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 16 717	\$ 9 325
SERIES F	\$ 830	\$ 159
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.14	\$ 0.07
SERIES F	\$ 0.15	\$ 0.09

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 17 547	\$ 9 484
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	(1 982)	635
Increase (decrease) in accrued payables	10	(47)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(6 709 632)	(6 176 181)
Proceeds from sale and maturity of investments	6 632 866	6 319 037
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(61 191)	152 928
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 071 604	776 691
Cash paid on redemption of redeemable units	(1 009 390)	(929 058)
Distributions paid to holders of redeemable units	(1 021)	(536)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 61 193	\$ (152 903)
Net increase (decrease) in cash for the period	2	25
Cash (bank overdraft), beginning of period	53	28
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 55	\$ 53
Interest received (paid)	\$ 19 913	\$ 14 699
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 215 455	\$ 1 372 269	\$ 29 617	\$ 12 234	\$ 1 245 072	\$ 1 384 503
INCREASE (DECREASE) IN NAV	16 717	9 325	830	159	17 547	9 484
Proceeds from redeemable units issued	841 424	725 965	235 648	61 932	1 077 072	787 897
Reinvestments of distributions to holders of redeemable units	15 560	8 590	492	95	16 052	8 685
Redemption of redeemable units	(875 874)	(891 417)	(146 814)	(44 646)	(1 022 688)	(936 063)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(18 890)	(156 862)	89 326	17 381	70 436	(139 481)
Distributions from net income	(16 788)	(9 277)	(832)	(157)	(17 620)	(9 434)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(16 788)	(9 277)	(832)	(157)	(17 620)	(9 434)
NET INCREASE (DECREASE) IN NAV	(18 961)	(156 814)	89 324	17 383	70 363	(139 431)
NAV AT END OF PERIOD	\$ 1 196 494	\$ 1 215 455	\$ 118 941	\$ 29 617	\$ 1 315 435	\$ 1 245 072

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

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

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
R-1 (H)	81.9	78.3
R-1 (M)	8.8	13.0
R-1 (L)	9.3	8.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Commercial Paper	65.0	61.8
Bankers Acceptances and Bank Obligations	29.9	31.2
Provincial Obligations	5.0	6.4
Cash/Other	0.1	0.6
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
0 – 1 month	42.4	36.6
1 – 3 months	46.2	45.3
3 – 6 months	11.4	18.1
6 – 12 months	–	–
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 314 809	–	1 314 809
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 314 809	–	1 314 809
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 238 043	–	1 238 043
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 238 043	–	1 238 043
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.30%	0.02%
Series F	0.20%	0.02%

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	121 538	137 224
Issued number of units	84 142	72 597
Reinvested number of units	1 556	859
Redeemed number of units	(87 587)	(89 142)
Ending number of units	119 649	121 538
Series F		
Opening units	2 962	1 223
Issued number of units	23 564	6 195
Reinvested number of units	49	9
Redeemed number of units	(14 681)	(4 465)
Ending number of units	11 894	2 962

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	3	100
RBC IS (paid)	—	(25)	(1)	(25)
Tax withheld	—	—	—	—
Fund revenue	—	75	2	75



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. MONEY MARKET FUND

December 31, 2018

Par Value (000s)	Security	Cost/ Fair Value	% of Net Assets
BANKERS ACCEPTANCES AND BANK OBLIGATIONS			
6 355	Bank of Montreal	\$ 6 369	
5 400	Canadian Imperial Bank of Commerce	5 264	
16 360	National Bank of Canada	16 264	
2 600	Toronto-Dominion Bank	2 595	
		30 492	10.5
COMMERCIAL PAPER			
14 080	Banner Trust	13 951	
7 310	BNP Paribas Capital Trust	7 206	
9 480	Caisse Centrale Desjardins	9 425	
3 720	Canadian Master Trust - Series A	3 676	
9 370	Clarity Trust	9 268	
13 990	Enbridge Pipelines Inc.	13 951	
9 610	Fusion Trust	9 518	
19 640	Merit Trust - Senior Notes	19 476	
7 880	OMERS Realty Corp.	7 834	
17 780	Prime Trust - Senior Notes	17 643	
6 910	PSP Capital Inc.	6 888	
2 590	Ridge Trust	2 582	
19 090	SAFE Trust - Series 1996-1	18 978	
20 880	SOUND Trust	20 809	
17 920	STABLE Trust	17 794	
21 975	SURE Trust	21 748	
14 140	Zeus Receivables Trust - Senior Notes	13 990	
		214 737	74.1
PROVINCIAL OBLIGATIONS			
22 030	Province of Alberta	21 904	
10 940	Province of British Columbia	10 914	
10 710	Province of Quebec	10 683	
		43 501	15.0
TOTAL INVESTMENTS			
		288 730	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		1 162	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		\$ 289 892	100.0

Investments, which are grouped by issuer, earn interest at rates ranging from 2.38% to 3.08% and mature between January 2, 2019 and September 5, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 288 730	\$ 239 032
Cash	33	4
Subscriptions receivable	1 648	1 046
Dividends receivable, interest accrued and other assets	950	530
TOTAL ASSETS	291 361	240 612
LIABILITIES		
Redemptions payable	1 131	464
Distributions payable	277	124
Accounts payable and accrued expenses	61	38
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 469	626
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 289 892	\$ 239 986
Investments at cost	\$ 288 730	\$ 239 032
NAV		
SERIES A	\$ 92 228	\$ 95 886
SERIES D	\$ 67 639	\$ 42 903
SERIES F	\$ 3 709	\$ —
SERIES O	\$ 126 316	\$ 101 197
NAV PER UNIT		
SERIES A	\$ 10.00	\$ 10.00
SERIES D	\$ 10.00	\$ 10.00
SERIES F	\$ 10.00	\$ —
SERIES O	\$ 10.00	\$ 10.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 6 001	\$ 2 474
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	6 001	2 474
TOTAL INCOME (LOSS)	6 001	2 474
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 187	977
Administration fees	152	121
Independent Review Committee costs	2	2
GST/HST	146	117
Expenses reimbursed by manager	(951)	(805)
TOTAL EXPENSES	536	412
INCREASE (DECREASE) IN NAV	\$ 5 465	\$ 2 062
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 887	\$ 905
SERIES D	\$ 1 090	\$ 364
SERIES F	\$ 13	\$ —
SERIES O	\$ 2 475	\$ 793
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.19	\$ 0.10
SERIES D	\$ 0.19	\$ 0.11
SERIES F	\$ 0.08	\$ —
SERIES O	\$ 0.22	\$ 0.14



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 5 465	\$ 2 062
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	(420)	(322)
Increase (decrease) in accrued payables	23	5
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 515 337)	(1 101 755)
Proceeds from sale and maturity of investments	1 465 639	998 435
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(44 630)	(101 575)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	401 790	290 268
Cash paid on redemption of redeemable units	(355 603)	(188 227)
Distributions paid to holders of redeemable units	(1 528)	(461)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 44 659	\$ 101 580
Net increase (decrease) in cash for the period	29	5
Cash (bank overdraft), beginning of period	4	(1)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 33	\$ 4
Interest received (paid)	\$ 5 581	\$ 2 152
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 95 886	\$ 93 352	\$ 42 903	\$ 25 494	\$ —	\$ —
INCREASE (DECREASE) IN NAV	1 887	905	1 090	364	13	—
Proceeds from redeemable units issued	103 023	80 740	88 644	42 627	5 820	—
Reinvestments of distributions to holders of redeemable units	1 795	857	1 066	358	14	—
Redemption of redeemable units	(108 468)	(79 068)	(64 970)	(25 580)	(2 124)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 650)	2 529	24 740	17 405	3 710	—
Distributions from net income	(1 895)	(900)	(1 094)	(360)	(14)	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 895)	(900)	(1 094)	(360)	(14)	—
NET INCREASE (DECREASE) IN NAV	(3 658)	2 534	24 736	17 409	3 709	—
NAV AT END OF PERIOD	\$ 92 228	\$ 95 886	\$ 67 639	\$ 42 903	\$ 3 709	\$ —

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 101 197	\$ 18 359	\$ 239 986	\$ 137 205
INCREASE (DECREASE) IN NAV	2 475	793	5 465	2 062
Proceeds from redeemable units issued	207 622	167 598	405 109	290 965
Reinvestments of distributions to holders of redeemable units	930	289	3 805	1 504
Redemption of redeemable units	(183 425)	(85 057)	(358 987)	(189 705)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	25 127	82 830	49 927	102 764
Distributions from net income	(2 483)	(785)	(5 486)	(2 045)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 483)	(785)	(5 486)	(2 045)
NET INCREASE (DECREASE) IN NAV	25 119	82 838	49 906	102 781
NAV AT END OF PERIOD	\$ 126 316	\$ 101 197	\$ 289 892	\$ 239 986

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide U.S. dollar current income and liquidity consistent with short-term U.S. money-market rates.

Series F units were started August 16, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
R-1 (H)	84.7	81.8
R-1 (M)	10.1	11.1
R-1 (L)	5.2	7.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Commercial Paper	74.1	69.3
Provincial Obligations	15.0	15.6
Bankers Acceptances and Bank Obligations	10.5	14.7
Cash/Other	0.4	0.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
0 – 1 month	45.7	45.0
1 – 3 months	46.9	42.0
3 – 6 months	5.5	11.7
6 – 12 months	1.9	1.3
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

**Fair value hierarchy (USD000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	288 730	–	288 730
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	288 730	–	288 730
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	239 032	–	239 032
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	239 032	–	239 032
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.85%	0.10%
Series D	0.60%	0.05%
Series F	0.50%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	101	—
Value of all units	1	—

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	182 284
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	9 588	9 335
Issued number of units	10 303	8 074
Reinvested number of units	179	86
Redeemed number of units	(10 847)	(7 907)
Ending number of units	9 223	9 588
Series D		
Opening units	4 290	2 549
Issued number of units	8 864	4 263
Reinvested number of units	107	36
Redeemed number of units	(6 497)	(2 558)
Ending number of units	6 764	4 290
Series F		
Opening units	—	—
Issued number of units	582	—
Reinvested number of units	1	—
Redeemed number of units	(212)	—
Ending number of units	371	—

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	10 119	1 836
Issued number of units	20 763	16 760
Reinvested number of units	93	29
Redeemed number of units	(18 343)	(8 506)
Ending number of units	12 632	10 119

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC \$U.S. Short Term Income Class	0.9	0.2
RBC Trend U.S. Equity Fund	0.1	—
Total	1.0	0.2



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC PREMIUM \$U.S. MONEY MARKET FUND

December 31, 2018

Par Value (000s)	Security	Cost/ Fair Value	% of Net Assets
BANKERS ACCEPTANCES AND BANK OBLIGATIONS			
8 200	Bank of Montreal	\$ 8 255	
12 100	Canadian Imperial Bank of Commerce	11 795	
3 510	HSBC Bank Canada	3 486	
37 390	National Bank of Canada	37 085	
		60 621	10.1
COMMERCIAL PAPER			
40 840	Banner Trust	40 435	
37 180	Caisse Centrale Desjardins	36 997	
1 390	Canadian Master Trust - Series A	1 386	
30 080	Clarity Trust	29 811	
25 190	Enbridge Pipelines Inc.	25 121	
11 510	Fusion Trust	11 354	
44 810	Merit Trust - Senior Notes	44 386	
16 620	OMERS Realty Corp.	16 550	
30 300	Prime Trust - Senior Notes	30 077	
16 644	PSP Capital Inc.	16 594	
33 580	Ridge Trust	33 291	
36 870	SAFE Trust - Series 1996-1	36 672	
29 940	SOUND Trust	29 767	
19 340	STABLE Trust	19 184	
51 500	SURE Trust	51 207	
26 530	Zeus Receivables Trust - Senior Notes	26 169	
		449 001	74.5
PROVINCIAL OBLIGATIONS			
31 380	Province of Alberta	31 232	
23 200	Province of British Columbia	23 045	
35 770	Province of Quebec	35 658	
		89 935	14.9
TOTAL INVESTMENTS			
		599 557	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		2 819	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			
		\$ 602 376	100.0

Investments, which are grouped by issuer, earn interest at rates ranging from 2.38% to 3.08% and mature between January 2, 2019 and September 5, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 599 557	\$ 513 044
Cash	44	15
Subscriptions receivable	3 128	855
Dividends receivable, interest accrued and other assets	1 979	1 107
TOTAL ASSETS	604 708	515 021
LIABILITIES		
Redemptions payable	680	2 362
Distributions payable	1 482	252
Accounts payable and accrued expenses	170	105
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 332	2 719
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 602 376	\$ 512 302
Investments at cost	\$ 599 557	\$ 513 044
NAV		
SERIES A	\$ 505 816	\$ 446 226
SERIES F	\$ 96 560	\$ 66 076
NAV PER UNIT		
SERIES A	\$ 10.00	\$ 10.02
SERIES F	\$ 10.00	\$ 10.02

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 12 605	\$ 5 805
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	12 605	5 805
TOTAL INCOME (LOSS)	12 605	5 805
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 879	1 459
Administration fees	112	84
Independent Review Committee costs	2	2
GST/HST	214	165
Expenses reimbursed by manager	(784)	(671)
TOTAL EXPENSES	1 423	1 039
INCREASE (DECREASE) IN NAV	\$ 11 182	\$ 4 766
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 9 470	\$ 4 372
SERIES F	\$ 1 712	\$ 394
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.22	\$ 0.11
SERIES F	\$ 0.22	\$ 0.11



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 11 182	\$ 4 766
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	—	—
(Increase) decrease in accrued receivables	(872)	(695)
Increase (decrease) in accrued payables	65	39
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 199 550)	(2 577 771)
Proceeds from sale and maturity of investments	3 113 037	2 401 502
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(76 138)	(172 159)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	692 424	504 339
Cash paid on redemption of redeemable units	(615 787)	(331 902)
Distributions paid to holders of redeemable units	(470)	(289)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 76 167	\$ 172 148
Net increase (decrease) in cash for the period	29	(11)
Cash (bank overdraft), beginning of period	15	26
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 44	\$ 15
Interest received (paid)	\$ 11 733	\$ 5 110
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 446 226	\$ 324 021	\$ 66 076	\$ 15 199	\$ 512 302	\$ 339 220
INCREASE (DECREASE) IN NAV	9 470	4 372	1 712	394	11 182	4 766
Proceeds from redeemable units issued	527 925	393 293	172 188	112 249	700 113	505 542
Reinvestments of distributions to holders of redeemable units	21 007	4 056	2 888	258	23 895	4 314
Redemption of redeemable units	(476 779)	(275 175)	(142 742)	(61 633)	(619 521)	(336 808)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	72 153	122 174	32 334	50 874	104 487	173 048
Distributions from net income	(9 789)	(4 341)	(1 435)	(391)	(11 224)	(4 732)
Distributions from net gains	(12 244)	—	(2 127)	—	(14 371)	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(22 033)	(4 341)	(3 562)	(391)	(25 595)	(4 732)
NET INCREASE (DECREASE) IN NAV	59 590	122 205	30 484	50 877	90 074	173 082
NAV AT END OF PERIOD	\$ 505 816	\$ 446 226	\$ 96 560	\$ 66 076	\$ 602 376	\$ 512 302

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

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

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
R-1 (H)	81.5	87.8
R-1 (M)	13.9	7.3
R-1 (L)	4.6	4.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Commercial Paper	74.5	72.6
Provincial Obligations	14.9	16.0
Bankers Acceptances and Bank Obligations	10.1	11.5
Cash/Other	0.5	(0.1)
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
0 – 1 month	42.1	44.5
1 – 3 months	51.5	40.2
3 – 6 months	4.4	13.9
6 – 12 months	2.0	1.4
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

**Fair value hierarchy (USD000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	599 557	–	599 557
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	599 557	–	599 557
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	513 044	–	513 044
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	513 044	–	513 044
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.35%	0.02%
Series F	0.25%	0.02%

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	44 384	32 166
Issued number of units	52 793	39 329
Reinvested number of units	2 100	406
Units consolidated*	(1 017)	—
Redeemed number of units	(47 678)	(27 517)
Ending number of units	50 582	44 384

Series F		
Opening units	6 596	1 509
Issued number of units	17 219	11 224
Reinvested number of units	289	26
Units consolidated*	(174)	—
Redeemed number of units	(14 274)	(6 163)
Ending number of units	9 656	6 596

* The units of the Fund are consolidated immediately after a distribution is reinvested so that the total number of units outstanding of the Fund after consolidation is the same as before the distribution.

Securities lending revenue (USD000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	—	—	100
RBC IS (paid)	—	—	—	(25)
Tax withheld	—	—	—	—
Fund revenue	—	—	—	75



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN SHORT-TERM INCOME FUND

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
6 000	407 International Inc.	2.470	08-Sep-2022	\$ 5 999	\$ 5 899	
3 700	Alimentation Couche-Tard Inc.	3.319	01-Nov-2019	3 858	3 720	
3 000	AltaGas Ltd.	3.720	28-Sep-2021	3 113	3 019	
19 200	Bank of Montreal	2.840	04-Jun-2020	19 592	19 281	
25 000	Bank of Montreal	2.100	06-Oct-2020	25 042	24 784	
49 550	Bank of Montreal	1.880	31-Mar-2021	49 417	48 690	
25 550	Bank of Montreal	3.400	23-Apr-2021	26 995	25 949	
35 500	Bank of Montreal	1.610	28-Oct-2021	35 355	34 411	
36 400	Bank of Montreal	2.120	16-Mar-2022	35 320	35 650	
61 400	Bank of Montreal	2.270	11-Jul-2022	61 310	60 242	
35 100	Bank of Nova Scotia	2.270	13-Jan-2020	36 028	35 042	
33 650	Bank of Nova Scotia	2.130	15-Jun-2020	33 723	33 447	
9 950	Bank of Nova Scotia	2.090	09-Sep-2020	10 045	9 865	
5 000	Bank of Nova Scotia	3.270	11-Jan-2021	5 338	5 058	
38 000	Bank of Nova Scotia	2.873	04-Jun-2021	38 820	38 123	
39 100	Bank of Nova Scotia	1.900	02-Dec-2021	38 967	38 130	
23 900	Bank of Nova Scotia	1.830	27-Apr-2022	23 429	23 148	
34 900	Bank of Nova Scotia	2.360	08-Nov-2022	34 469	34 223	
22 500	Bank of Nova Scotia	2.980	17-Apr-2023	22 494	22 547	
6 000	bclMC Realty Corp.	2.100	03-Jun-2021	5 989	5 918	
13 100	Bell Canada	3.250	17-Jun-2020	13 540	13 189	
30 000	Bell Canada	2.000	01-Oct-2021	29 945	29 174	
48 500	Bell Canada	3.000	03-Oct-2022	49 841	48 088	
16 000	Bell Canada	3.350	22-Mar-2023	16 279	16 010	
2 500	BMW Canada Inc.	1.830	15-Jun-2021	2 505	2 440	
5 150	Bruce Power LP	2.844	23-Jun-2021	5 150	5 131	
8 500	Caisse Centrale Desjardins	2.091	17-Jan-2022	8 500	8 322	
23 700	Canadian Credit Card Trust II	1.829	24-Mar-2020	23 708	23 500	
7 400	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	7 399	7 342	
58 600	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	58 537	57 958	
17 500	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	17 509	17 184	
44 600	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	43 523	43 397	
10 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	10 000	10 033	
26 300	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	25 796	25 673	
21 000	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	20 897	20 611	
12 600	Canadian Imperial Bank of Commerce	2.470	05-Dec-2022	12 564	12 398	
8 000	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	7 963	8 014	
5 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	4 999	4 985	
5 500	Canadian Natural Resources Ltd.	3.310	11-Feb-2022	5 604	5 495	
10 000	Canadian Real Estate Investment Trust	2.564	30-Nov-2019	10 010	9 990	
5 500	Canadian Tire Corp. Ltd.	2.646	06-Jul-2020	5 473	5 492	
13 500	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	13 403	13 361	
4 600	Canadian Western Bank	2.377	23-Jan-2020	4 600	4 580	
14 900	Canadian Western Bank	2.751	29-Jun-2020	14 895	14 862	
5 500	Canadian Western Bank	2.881	01-Mar-2021	5 500	5 477	
12 500	Canadian Western Bank	2.788	13-Sep-2021	12 436	12 368	
5 000	Canadian Western Bank	2.924	15-Dec-2022	5 000	4 919	
14 800	Cards II Trust	2.155	15-Oct-2020	14 895	14 672	
10 000	Choice Properties LP	3.000	20-Sep-2019	9 981	10 021	
3 500	Choice Properties LP	3.600	20-Sep-2021	3 712	3 532	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
9 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	\$ 9 035	\$ 8 901	
6 000	Choice Properties Real Estate Investment Trust	3.010	21-Mar-2022	5 999	5 934	
5 000	Choice Properties Real Estate Investment Trust	3.196	07-Mar-2023	4 984	4 928	
14 000	Daimler Canada Finance Inc.	1.570	25-May-2020	14 000	13 762	
7 000	Daimler Canada Finance Inc.	1.910	08-Jul-2021	7 003	6 813	
23 700	Daimler Canada Finance Inc.	3.050	16-May-2022	23 712	23 650	
1 600	Daimler Canada Finance Inc.	3.300	16-Aug-2022	1 600	1 607	
2 750	Enbridge Gas Distribution Inc.	4.770	17-Dec-2021	2 894	2 907	
3 125	Enbridge Gas Distribution Inc.	6.050	05-Jul-2023	3 502	3 515	
3 000	Enbridge Inc.	4.100	22-Feb-2019	3 007	2 980	
9 400	Enbridge Inc.	4.770	02-Sep-2019	10 057	9 535	
33 000	Enbridge Inc.	3.190	05-Dec-2022	33 693	32 914	
2 000	Enbridge Pipelines Inc.	3.790	17-Aug-2023	2 046	2 057	
39 000	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	38 603	38 341	
11 000	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	11 000	11 054	
750	Finning International Inc.	2.840	29-Sep-2021	750	748	
6 000	Ford Credit Canada Co.	3.140	14-Jun-2019	6 000	6 008	
26 700	Ford Credit Canada Co.	2.923	16-Sep-2020	26 862	26 293	
35 400	Ford Credit Canada Co.	2.580	10-May-2021	35 276	34 165	
5 000	Ford Credit Canada Co.	2.710	23-Feb-2022	5 000	4 744	
4 750	Ford Credit Canada Co.	2.766	22-Jun-2022	4 750	4 481	
9 100	Ford Credit Canada Co.	3.742	08-May-2023	9 100	8 698	
4 800	Fortified Trust	2.161	23-Oct-2020	4 800	4 760	
5 900	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	5 898	5 835	
11 000	Genesis Trust II	1.699	15-Apr-2020	11 000	10 887	
1 000	Genworth MI Canada Inc.	5.680	15-Jun-2020	1 097	1 035	
41 000	Glacier Credit Card Trust	3.138	20-Sep-2023	41 000	41 201	
11 500	H&R Real Estate Investment Trust	2.923	06-May-2022	11 411	11 251	
4 000	H&R Real Estate Investment Trust	3.416	23-Jan-2023	4 000	3 938	
18 000	Hollis Receivables Term Trust II	1.788	26-Feb-2020	18 057	17 851	
17 500	Honda Canada Finance Inc.	2.155	18-Feb-2021	17 269	17 266	
2 600	Honda Canada Finance Inc.	3.176	28-Aug-2023	2 600	2 607	
27 000	HSBC Bank Canada	2.938	14-Jan-2020	28 329	27 096	
6 000	HSBC Bank Canada	2.449	29-Jan-2021	6 000	5 952	
12 700	HSBC Bank Canada	2.170	29-Jun-2022	12 626	12 341	
32 000	HSBC Bank Canada	2.542	31-Jan-2023	32 000	31 317	
70 500	HSBC Bank Canada	3.245	15-Sep-2023	70 500	70 771	
6 600	Hydro One Inc.	1.620	30-Apr-2020	6 599	6 522	
17 700	Hydro One Inc.	2.570	25-Jun-2021	17 698	17 643	
9 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	9 446	9 069	
7 000	Inter Pipeline Ltd.	3.776	30-May-2022	7 205	7 088	
2 500	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	2 500	2 499	
6 200	Loblaw Companies Ltd.	3.748	12-Mar-2019	6 226	6 221	
15 500	Loblaw Companies Ltd.	4.860	12-Sep-2023	16 329	16 373	
4 800	Loblaw Companies Ltd.	3.918	10-Jun-2024	4 800	4 888	
11 200	Manulife Bank of Canada	1.915	01-Sep-2021	11 200	10 932	
6 250	Manulife Bank of Canada	2.082	26-May-2022	6 250	6 077	
7 000	Manulife Bank of Canada	2.844	12-Jan-2023	7 000	6 945	
3 900	Metro Inc.	3.200	01-Dec-2021	3 963	3 907	
10 000	Metro Inc.	2.680	05-Dec-2022	10 000	9 774	
17 800	National Bank of Canada	1.742	03-Mar-2020	17 831	17 646	
69 200	National Bank of Canada	1.809	26-Jul-2021	68 377	67 601	
51 000	National Bank of Canada	1.957	30-Jun-2022	49 924	49 485	
17 000	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	17 028	16 817	
2 700	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	2 700	2 671	
12 000	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	12 000	11 998	
3 750	Pembina Pipeline Corp.	4.890	29-Mar-2021	3 884	3 889	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
8 000	Pembina Pipeline Corp.	3.770	24-Oct-2022	\$ 8 190	\$ 8 099	
12 600	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	12 599	12 371	
9 750	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	9 720	9 572	
20 000	Rogers Communications Inc.	5.380	04-Nov-2019	23 138	20 449	
49 700	Rogers Communications Inc.	5.340	22-Mar-2021	56 290	52 140	
5 000	Rogers Communications Inc.	4.000	06-Jun-2022	5 324	5 129	
35 850	Royal Bank of Canada*	1.920	17-Jul-2020	35 850	35 510	
36 000	Royal Bank of Canada*	2.860	04-Mar-2021	36 998	36 135	
53 000	Royal Bank of Canada*	2.030	15-Mar-2021	53 506	52 268	
29 000	Royal Bank of Canada*	1.583	13-Sep-2021	28 584	28 128	
58 300	Royal Bank of Canada*	2.360	05-Dec-2022	58 087	57 223	
32 100	Royal Bank of Canada*	2.949	01-May-2023	32 223	32 172	
15 500	Royal Bank of Canada*	3.296	26-Sep-2023	15 513	15 571	
6 400	Shaw Communications Inc.	5.650	01-Oct-2019	7 119	6 537	
19 000	Shaw Communications Inc.	3.150	19-Feb-2021	19 187	19 000	
8 000	Shaw Communications Inc.	3.800	02-Nov-2023	8 000	8 052	
7 000	SmartCentres Real Estate Investment Trust	2.876	21-Mar-2022	6 928	6 874	
7 500	Sun Life Financial Inc.	5.700	02-Jul-2019	8 617	7 623	
7 400	TELUS Corp.	5.050	23-Jul-2020	8 276	7 654	
18 500	TELUS Corp.	3.200	05-Apr-2021	18 910	18 583	
23 150	TELUS Corp.	2.350	28-Mar-2022	22 667	22 600	
13 200	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	13 200	13 209	
19 000	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	19 000	18 803	
5 500	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	5 478	5 518	
3 300	Thomson Reuters Corp.	3.309	12-Nov-2021	3 300	3 333	
44 200	Toronto-Dominion Bank	1.693	02-Apr-2020	44 200	43 772	
22 200	Toronto-Dominion Bank	2.045	08-Mar-2021	22 407	21 917	
32 000	Toronto-Dominion Bank	2.621	22-Dec-2021	32 073	31 883	
55 000	Toronto-Dominion Bank	1.994	23-Mar-2022	54 251	53 690	
50 500	Toronto-Dominion Bank	3.005	30-May-2023	50 504	50 800	
13 700	Toronto-Dominion Bank	1.909	18-Jul-2023	13 555	13 138	
8 500	Toyota Credit Canada Inc.	1.800	19-Feb-2020	8 492	8 432	
10 000	Toyota Credit Canada Inc.	2.050	20-May-2020	10 004	9 925	
5 000	Toyota Credit Canada Inc.	2.020	28-Feb-2022	4 998	4 868	
12 000	Toyota Credit Canada Inc.	2.350	18-Jul-2022	11 999	11 755	
6 000	Toyota Credit Canada Inc.	2.620	11-Oct-2022	6 000	5 917	
23 000	Toyota Credit Canada Inc.	2.700	25-Jan-2023	22 785	22 699	
2 750	Union Gas Ltd.	4.850	25-Apr-2022	2 912	2 926	
1 000	VW Credit Canada Inc.	2.150	24-Jun-2020	910	988	
5 000	VW Credit Canada Inc.	2.900	29-Mar-2021	4 995	4 969	
13 500	VW Credit Canada Inc.	3.700	14-Nov-2022	13 478	13 604	
300	Wells Fargo Canada Corp.	2.944	25-Jul-2019	306	301	
59 500	Wells Fargo Canada Corp.	3.040	29-Jan-2021	61 281	59 777	
				2 667 741	2 625 466	46.5
FEDERAL						
50 000	Canada Housing Trust No. 1	1.950	15-Jun-2019	50 150	50 033	
93 000	Canada Housing Trust No. 1	1.250	15-Dec-2020	91 750	91 716	
157 500	Canada Housing Trust No. 1	3.350	15-Dec-2020	168 733	161 614	
118 000	Canada Housing Trust No. 1	1.250	15-Jun-2021	118 011	115 782	
86 000	Canada Housing Trust No. 1	2.650	15-Mar-2022	93 397	87 360	
82 200	Canada Housing Trust No. 1	1.750	15-Jun-2022	80 888	81 028	
28 000	Canada Housing Trust No. 1	2.350	15-Sep-2023	28 647	28 082	
37 150	Government of Canada	0.500	01-Feb-2019	36 791	37 118	
19 000	Government of Canada	3.750	01-Jun-2019	20 555	19 157	
18 000	Government of Canada	0.750	01-Aug-2019	17 733	17 896	
17 200	Government of Canada	3.500	01-Jun-2020	18 959	17 598	
111 026	Government of Canada	0.750	01-Sep-2020	110 191	109 044	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FEDERAL (cont.)						
61 600	Government of Canada	0.750	01-Mar-2021	\$ 61 511	\$ 60 154	
18 000	Government of Canada	3.250	01-Jun-2021	20 117	18 584	
37 000	Government of Canada	0.750	01-Sep-2021	36 608	35 934	
190 000	Government of Canada	0.500	01-Mar-2022	183 122	182 026	
47 000	Government of Canada	2.750	01-Jun-2022	51 718	48 355	
100 000	Government of Canada	1.750	01-Mar-2023	98 275	99 455	
140 000	Government of Canada	1.500	01-Jun-2023	140 005	137 742	
106 000	Government of Canada	2.000	01-Sep-2023	105 999	106 549	
				1 533 160	1 505 227	26.7
PROVINCIAL/MUNICIPAL						
67 000	Province of Alberta	1.350	01-Sep-2021	66 223	65 513	
50 000	Province of Alberta	2.550	15-Dec-2022	50 168	50 251	
35 000	Province of British Columbia	2.250	01-Mar-2019	36 203	35 033	
25 000	Province of British Columbia	3.250	18-Dec-2021	27 225	25 754	
36 750	Province of Manitoba	4.750	11-Feb-2020	43 012	37 854	
82 500	Province of Manitoba	1.550	05-Sep-2021	82 565	81 099	
4 500	Province of New Brunswick	4.400	03-Jun-2019	4 991	4 547	
80 000	Province of New Brunswick	4.500	02-Jun-2020	91 579	82 717	
34 200	Province of Ontario	4.400	02-Jun-2019	37 136	34 559	
160 250	Province of Ontario	2.100	08-Sep-2019	162 667	160 438	
26 900	Province of Ontario	4.200	02-Jun-2020	28 171	27 708	
143 575	Province of Ontario	4.000	02-Jun-2021	160 831	149 706	
98 000	Province of Ontario	1.350	08-Mar-2022	96 456	95 194	
52 000	Province of Ontario	3.150	02-Jun-2022	56 647	53 387	
157 000	Province of Ontario	2.850	02-Jun-2023	164 384	159 577	
50 000	Province of Ontario	2.600	08-Sep-2023	50 125	50 286	
129 430	Province of Quebec	4.500	01-Dec-2020	140 625	135 318	
122 000	Province of Quebec	3.500	01-Dec-2022	134 351	127 221	
20 000	Province of Quebec	3.000	01-Sep-2023	20 437	20 494	
				1 453 796	1 396 656	24.8
TOTAL CANADIAN BONDS				5 654 697	5 527 349	98.0
UNITED KINGDOM BONDS						
1 500	Aviva Plc. CAD	4.500	10-May-2021	1 495	1 537	
TOTAL UNITED KINGDOM BONDS				1 495	1 537	—
UNITED STATES BONDS						
5 505	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	2 931	79	
TOTAL UNITED STATES BONDS				2 931	79	—
TOTAL BONDS				5 659 123	5 528 965	98.0
SHORT-TERM INVESTMENTS[†]						
TOTAL INVESTMENTS				5 755 728	5 625 570	99.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	23	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(21)	—
TOTAL PORTFOLIO				\$ 5 755 728	5 625 572	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					14 722	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 5 640 294	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 255 Sold CAD 327 @ 0.7802	04-Jan-2019	\$ 21
Bought USD 20 Sold CAD 26 @ 0.7803	14-Jan-2019	2
		<u>\$ 23</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 329 Sold USD 255 @ 1.2906	04-Jan-2019	\$ (19)
Bought CAD 26 Sold USD 20 @ 1.2771	14-Jan-2019	(2)
		<u>\$ (21)</u>

TOTAL FOREIGN EXCHANGE \$ 2

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.10% to 2.22% and mature between January 2, 2019 and January 16, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 5 625 570	\$ 5 457 635
Cash	520	803
Subscriptions receivable	2 098	3 654
Unrealized gain on foreign exchange contracts	23	140
Dividends receivable, interest accrued and other assets	28 474	25 217
TOTAL ASSETS	5 656 685	5 487 449
LIABILITIES		
Redemptions payable	15 812	1 112
Unrealized loss on foreign exchange contracts	21	4
Accounts payable and accrued expenses	558	712
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	16 391	1 828
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 5 640 294	\$ 5 485 621
Investments at cost	\$ 5 755 728	\$ 5 570 485
NAV		
SERIES A	\$ 479 394	\$ 637 705
ADVISOR SERIES	\$ 16 055	\$ 20 129
SERIES D	\$ 16 477	\$ 22 803
SERIES F	\$ 28 008	\$ 39 644
SERIES O	\$ 5 100 360	\$ 4 765 340
NAV PER UNIT		
SERIES A	\$ 10.42	\$ 10.48
ADVISOR SERIES	\$ 10.47	\$ 10.53
SERIES D	\$ 10.45	\$ 10.51
SERIES F	\$ 10.51	\$ 10.56
SERIES O	\$ 10.49	\$ 10.54

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 134 088	\$ 125 838
Derivative income	(406)	357
Net realized gain (loss) on investments	(13 947)	(17 121)
Change in unrealized gain (loss) on investments	(17 442)	(88 972)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	102 293	20 102
Securities lending revenue (see note 7 in the generic notes)	793	750
Net gain (loss) on foreign cash balances	55	(1)
TOTAL OTHER INCOME (LOSS)	848	749
TOTAL INCOME (LOSS)	103 141	20 851
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 282	7 387
Administration fees	1 309	1 322
Independent Review Committee costs	2	3
GST/HST	662	868
TOTAL EXPENSES	7 255	9 580
INCREASE (DECREASE) IN NAV	\$ 95 886	\$ 11 271
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 3 468	\$ (4 460)
ADVISOR SERIES	\$ 119	\$ (124)
SERIES D	\$ 188	\$ (67)
SERIES F	\$ 368	\$ (110)
SERIES O	\$ 91 743	\$ 16 032
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.07	\$ (0.06)
ADVISOR SERIES	\$ 0.07	\$ (0.06)
SERIES D	\$ 0.11	\$ (0.03)
SERIES F	\$ 0.12	\$ (0.03)
SERIES O	\$ 0.19	\$ 0.04



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 95 886	\$ 11 271
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	13 947	17 121
Change in unrealized loss (gain) on investments	17 442	88 972
(Increase) decrease in accrued receivables	(3 257)	1 071
Increase (decrease) in accrued payables	(154)	(164)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 742 813)	(4 170 125)
Proceeds from sale and maturity of investments	3 543 623	3 724 486
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(75 326)	(327 368)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	677 889	811 321
Cash paid on redemption of redeemable units	(602 291)	(482 964)
Distributions paid to holders of redeemable units	(555)	(701)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 75 043	\$ 327 656
Net increase (decrease) in cash for the period	(283)	288
Cash (bank overdraft), beginning of period	803	515
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 520	\$ 803
Interest received (paid)	\$ 130 831	\$ 126 909
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 637 705	\$ 838 389	\$ 20 129	\$ 25 152	\$ 22 803	\$ 24 826	\$ 39 644	\$ 29 528
INCREASE (DECREASE) IN NAV	3 468	(4 460)	119	(124)	188	(67)	368	(110)
Early redemption fees	—	1	—	—	2	1	—	—
Proceeds from redeemable units issued	30 841	135 789	1 276	4 141	3 646	9 950	16 979	36 539
Reinvestments of distributions to holders of redeemable units	6 932	9 726	176	220	304	408	375	619
Redemption of redeemable units	(192 372)	(331 651)	(5 408)	(8 969)	(10 149)	(11 892)	(28 754)	(26 109)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(154 599)	(186 135)	(3 956)	(4 608)	(6 197)	(1 533)	(11 400)	11 049
Distributions from net income	(7 180)	(10 089)	(237)	(291)	(317)	(423)	(604)	(823)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7 180)	(10 089)	(237)	(291)	(317)	(423)	(604)	(823)
NET INCREASE (DECREASE) IN NAV	(158 311)	(200 684)	(4 074)	(5 023)	(6 326)	(2 023)	(11 636)	10 116
NAV AT END OF PERIOD	\$ 479 394	\$ 637 705	\$ 16 055	\$ 20 129	\$ 16 477	\$ 22 803	\$ 28 008	\$ 39 644

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 765 340	\$ 4 228 496	\$ 5 485 621	\$ 5 146 391
INCREASE (DECREASE) IN NAV	91 743	16 032	95 886	11 271
Early redemption fees	—	—	2	2
Proceeds from redeemable units issued	628 796	633 689	681 538	820 108
Reinvestments of distributions to holders of redeemable units	118 830	104 325	126 617	115 298
Redemption of redeemable units	(385 515)	(112 829)	(622 198)	(491 450)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	362 111	625 185	185 959	443 958
Distributions from net income	(118 834)	(104 373)	(127 172)	(115 999)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(118 834)	(104 373)	(127 172)	(115 999)
NET INCREASE (DECREASE) IN NAV	335 020	536 844	154 673	339 230
NAV AT END OF PERIOD	\$ 5 100 360	\$ 4 765 340	\$ 5 640 294	\$ 5 485 621

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	29.3	29.2
AA	44.1	41.8
A	15.1	17.9
BBB	11.5	11.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds	46.5	43.8
Federal Bonds	26.7	25.5
Provincial/Municipal Bonds	24.8	28.2
Cash/Other	2.0	2.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	8.8	12.1
1 – 5 years	90.4	80.3
5 – 10 years	0.8	7.6
> 10 years	–	–
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 2.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	5 528 965	–	5 528 965
Short-term investments	–	96 605	–	96 605
Derivatives – assets	–	23	–	23
Derivatives – liabilities	–	(21)	–	(21)
Total financial instruments	–	5 625 572	–	5 625 572
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	5 348 869	–	5 348 869
Short-term investments	–	108 766	–	108 766
Derivatives – assets	–	140	–	140
Derivatives – liabilities	–	(4)	–	(4)
Total financial instruments	–	5 457 771	–	5 457 771
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.05%
Advisor Series	0.90%	0.05%
Series D	0.55%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	181 259
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	60 869	78 497
Issued number of units	2 967	12 729
Reinvested number of units	667	916
Redeemed number of units	(18 498)	(31 273)
Ending number of units	46 005	60 869
Advisor Series		
Opening units	1 911	2 343
Issued number of units	123	386
Reinvested number of units	17	21
Redeemed number of units	(518)	(839)
Ending number of units	1 533	1 911
Series D		
Opening units	2 170	2 317
Issued number of units	349	932
Reinvested number of units	29	38
Redeemed number of units	(972)	(1 117)
Ending number of units	1 576	2 170
Series F		
Opening units	3 753	2 741
Issued number of units	1 620	3 405
Reinvested number of units	36	58
Redeemed number of units	(2 743)	(2 451)
Ending number of units	2 666	3 753
Series O		
Opening units	451 958	393 436
Issued number of units	60 015	59 249
Reinvested number of units	11 367	9 775
Redeemed number of units	(36 897)	(10 502)
Ending number of units	486 443	451 958

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 482 307	1 051 899
Fair value of collateral received	1 518 388	1 076 856

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 062	100	1 036	100
RBC IS (paid)	(266)	(25)	(283)	(27)
Tax withheld	(3)	–	(3)	–
Fund revenue	793	75	750	73

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Conservative Bond Pool	0.6	–
RBC Core Bond Pool	0.8	–
RBC Core Plus Bond Pool	1.0	–
RBC Managed Payout Solution	10.3	11.8
RBC Managed Payout Solution – Enhanced	5.5	5.7
RBC Managed Payout Solution – Enhanced Plus	4.1	4.5
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	–	–
RBC Retirement 2030 Portfolio	–	–
RBC Retirement 2035 Portfolio	–	–
RBC Retirement 2040 Portfolio	–	–
RBC Retirement 2050 Portfolio	–	–
RBC Retirement Income Solution	0.2	0.1
RBC Select Conservative Portfolio	43.0	39.5
RBC Select Very Conservative Portfolio	16.8	17.3
RBC Target 2020 Education Fund	4.7	5.8
RBC Target 2025 Education Fund	3.3	1.9
Total	90.4	86.7



December 31, 2018

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	23	(21)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	23	(21)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	23	(21)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	140	(4)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	140	(4)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	140	(4)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. SHORT-TERM CORPORATE BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
5 959 500	RBC Short Term U.S. Corporate Bond ETF*	\$ 93 522	\$ 93 412	
TOTAL UNDERLYING FUNDS		<u>\$ 93 522</u>	93 412	98.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			1 217	1.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 94 629</u>	100.0

* Investment in related party (see note 8 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 93 412
Cash	1 683
Subscriptions receivable	68
Dividends receivable, interest accrued and other assets	624
TOTAL ASSETS	95 787
LIABILITIES	
Due to investment dealers	1 144
Redemptions payable	8
Accounts payable and accrued expenses	6
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 158
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 94 629
Investments at cost	\$ 93 522
NAV	
SERIES A	\$ 3 631
ADVISOR SERIES	\$ 1
SERIES D	\$ 102
SERIES F	\$ 5 593
SERIES O	\$ 85 302
NAV PER UNIT	
SERIES A	\$ 9.81
ADVISOR SERIES	\$ 9.81
SERIES D	\$ 9.81
SERIES F	\$ 9.82
SERIES O	\$ 9.81

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
(see note 2 in the generic notes)	
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 11
Income from investment trusts	998
Net realized gain (loss) on investments	(6)
Change in unrealized gain (loss) on investments	(110)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	893
Other income (loss)	133
TOTAL OTHER INCOME (LOSS)	133
TOTAL INCOME (LOSS)	1 026
EXPENSES (see notes – Fund Specific Information)	
Management fees	20
Administration fees	9
Independent Review Committee costs	2
GST/HST	2
Transaction costs	131
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	162
INCREASE (DECREASE) IN NAV	\$ 864
INCREASE (DECREASE) IN NAV	
SERIES A	\$ 13
ADVISOR SERIES	\$ –
SERIES D	\$ 1
SERIES F	\$ 37
SERIES O	\$ 813
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ 0.07
ADVISOR SERIES	\$ (0.06)
SERIES D	\$ 0.12
SERIES F	\$ 0.20
SERIES O	\$ 0.24



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ 864

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Non-cash distributions from underlying funds —

Net realized loss (gain) on investments 18

Change in unrealized loss (gain) on investments 110

(Increase) decrease in accrued receivables (624)

Increase (decrease) in accrued payables 6

(Increase) decrease in margin accounts —

Cost of investments purchased (98 335)

Proceeds from sale and maturity of investments 5 939

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (92 022)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 109 959

Cash paid on redemption of redeemable units (15 540)

Distributions paid to holders of redeemable units (714)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 93 705

Net increase (decrease) in cash for the period 1 683

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 1 683

Interest received (paid) \$ —

Dividends received, net of withholding taxes \$ —



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	13	—	1	37
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	4 440	1	147	6 087
Reinvestments of distributions to holders of redeemable units	26	—	1	17
Redemption of redeemable units	(816)	—	(46)	(492)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 650	1	102	5 612
Distributions from net income	(32)	—	(1)	(56)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(32)	—	(1)	(56)
NET INCREASE (DECREASE) IN NAV	3 631	1	102	5 593
NAV AT END OF PERIOD	\$ 3 631	\$ 1	\$ 102	\$ 5 593

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	813	864
Early redemption fees	—	—
Proceeds from redeemable units issued	99 395	110 070
Reinvestments of distributions to holders of redeemable units	359	403
Redemption of redeemable units	(14 237)	(15 591)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	85 517	94 882
Distributions from net income	(1 028)	(1 117)
Distributions from net gains	—	—
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 028)	(1 117)
NET INCREASE (DECREASE) IN NAV	85 302	94 629
NAV AT END OF PERIOD	\$ 85 302	\$ 94 629

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 was started January 17, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC Short Term U.S. Corporate Bond ETF. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AA	10.5
A	26.3
BBB	61.8
BB	1.4
Total	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
United States	83.2
Canada	4.4
Australia	3.3
Netherlands	2.9
United Kingdom	2.0
Other Countries	4.0
Cash/Other	0.2
Total	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	1.0
1 – 5 years	91.8
5 – 10 years	7.2
> 10 years	—
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.7%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	93 412	—	—	93 412
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	93 412	—	—	93 412
% of total portfolio	100.0	—	—	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.85%	0.05%
Advisor Series	0.85%	0.05%
Series D	0.60%	0.05%
Series F	0.35%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	101
Advisor Series	101
Series D	101
Series F	102
Value of all units	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
RBC Short Term U.S. Corporate Bond ETF	99.3	67.1

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes) 2018

Series A	
Opening units	—
Issued number of units	450
Reinvested number of units	3
Redeemed number of units	(83)
Ending number of units	370

For the period ended December 31
(see note 2 in the generic notes)

	2018
Advisor Series	
Opening units	—
Issued number of units	—
Reinvested number of units	—
Redeemed number of units	—
Ending number of units	—
Series D	
Opening units	—
Issued number of units	15
Reinvested number of units	—
Redeemed number of units	(5)
Ending number of units	10
Series F	
Opening units	—
Issued number of units	618
Reinvested number of units	2
Redeemed number of units	(50)
Ending number of units	570
Series O	
Opening units	—
Issued number of units	10 104
Reinvested number of units	37
Redeemed number of units	(1 447)
Ending number of units	8 694

Transaction costs (USD000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the period ended:

	December 31 2018	
	\$	%
Total transaction costs	131	100
Related-party brokerage commissions*	12	9
Commission arrangements†	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC MONTHLY INCOME BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
35 644 808	Phillips, Hager & North Short Term Bond & Mortgage Fund*	\$ 363 086	\$ 352 103	
17 070 199	Phillips, Hager & North Total Return Bond Fund*	197 555	189 030	
29 238 128	RBC Bond Fund*	200 781	196 664	
4 038 565	RBC Emerging Markets Bond Fund*	44 999	45 335	
9 540 221	RBC Global Corporate Bond Fund*	93 461	90 862	
1 987 308	RBC High Yield Bond Fund*	20 660	20 099	
TOTAL UNDERLYING FUNDS		920 542	894 093	99.2
SHORT-TERM INVESTMENTS†		7 463	7 463	0.8
TOTAL INVESTMENTS		<u>\$ 928 005</u>	901 556	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			42	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 901 598</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.24% and mature between January 2, 2019 and January 23, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 901 556	\$ 1 174 003
Cash	110	115
Due from investment dealers	1 300	–
Subscriptions receivable	348	467
Dividends receivable, interest accrued and other assets	8	4
TOTAL ASSETS	903 322	1 174 589
LIABILITIES		
Due to investment dealers	–	2 400
Redemptions payable	704	2 633
Distributions payable	296	428
Accounts payable and accrued expenses	724	975
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 724	6 436
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 901 598	\$ 1 168 153
Investments at cost	\$ 928 005	\$ 1 191 395
NAV		
SERIES A	\$ 683 785	\$ 956 564
ADVISOR SERIES	\$ 33 373	\$ 46 340
SERIES D	\$ 47 306	\$ 20 237
SERIES F	\$ 136 528	\$ 144 956
SERIES O	\$ 606	\$ 56
NAV PER UNIT		
SERIES A	\$ 9.60	\$ 9.82
ADVISOR SERIES	\$ 9.61	\$ 9.83
SERIES D	\$ 9.92	\$ 10.10
SERIES F	\$ 10.04	\$ 10.21
SERIES O	\$ 10.54	\$ 10.67

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 125	\$ 98
Income from investment trusts	29 820	36 496
Derivative income	531	–
Net realized gain (loss) on investments	(7 219)	98
Change in unrealized gain (loss) on investments	(9 057)	(8 048)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	14 200	28 644
TOTAL INCOME (LOSS)	14 200	28 644
EXPENSES (see notes – Fund Specific Information)		
Management fees	8 277	10 380
Administration fees	505	620
Independent Review Committee costs	2	3
GST/HST	923	1 133
TOTAL EXPENSES	9 707	12 136
INCREASE (DECREASE) IN NAV	\$ 4 493	\$ 16 508
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 2 261	\$ 13 251
ADVISOR SERIES	\$ 114	\$ 658
SERIES D	\$ 597	\$ 326
SERIES F	\$ 1 517	\$ 2 261
SERIES O	\$ 4	\$ 12
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.03	\$ 0.13
ADVISOR SERIES	\$ 0.03	\$ 0.13
SERIES D	\$ 0.18	\$ 0.15
SERIES F	\$ 0.10	\$ 0.17
SERIES O	\$ 0.21	\$ 0.55



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 4 493	\$ 16 508
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(29 820)	(36 496)
Net realized loss (gain) on investments	7 219	(98)
Change in unrealized loss (gain) on investments	9 057	8 048
(Increase) decrease in accrued receivables	(4)	(1)
Increase (decrease) in accrued payables	(251)	(54)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(338 388)	(434 789)
Proceeds from sale and maturity of investments	620 679	524 082
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	272 985	77 200
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	203 833	366 604
Cash paid on redemption of redeemable units	(472 440)	(438 410)
Distributions paid to holders of redeemable units	(4 383)	(5 397)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (272 990)	\$ (77 203)
Net increase (decrease) in cash for the period	(5)	(3)
Cash (bank overdraft), beginning of period	115	118
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 110	\$ 115
Interest received (paid)	\$ 121	\$ 97
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 956 564	\$ 1 040 586	\$ 46 340	\$ 52 166	\$ 20 237	\$ 19 732	\$ 144 956	\$ 116 475
INCREASE (DECREASE) IN NAV	2 261	13 251	114	658	597	326	1 517	2 261
Early redemption fees	3	2	—	—	—	—	1	—
Proceeds from redeemable units issued	101 925	280 758	9 467	12 726	43 621	11 259	71 994	88 140
Reinvestments of distributions to holders of redeemable units	20 056	24 824	1 010	1 253	887	522	1 902	1 422
Redemption of redeemable units	(375 092)	(375 050)	(22 458)	(19 066)	(17 069)	(11 024)	(79 737)	(59 738)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(253 108)	(69 466)	(11 981)	(5 087)	27 439	757	(5 840)	29 824
Distributions from net income	(14 747)	(20 124)	(740)	(1 011)	(650)	(418)	(2 760)	(2 608)
Distributions from net gains	—	(1 009)	—	(51)	—	(21)	—	(131)
Distributions from capital	(7 185)	(6 674)	(360)	(335)	(317)	(139)	(1 345)	(865)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(21 932)	(27 807)	(1 100)	(1 397)	(967)	(578)	(4 105)	(3 604)
NET INCREASE (DECREASE) IN NAV	(272 779)	(84 022)	(12 967)	(5 826)	27 069	505	(8 428)	28 481
NAV AT END OF PERIOD	\$ 683 785	\$ 956 564	\$ 33 373	\$ 46 340	\$ 47 306	\$ 20 237	\$ 136 528	\$ 144 956

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 56	\$ 2 404	\$ 1 168 153	\$ 1 231 363
INCREASE (DECREASE) IN NAV	4	12	4 493	16 508
Early redemption fees	—	—	4	2
Proceeds from redeemable units issued	3 384	1 022	230 391	393 905
Reinvestments of distributions to holders of redeemable units	4	—	23 859	28 021
Redemption of redeemable units	(2 836)	(3 377)	(497 192)	(468 255)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	552	(2 355)	(242 938)	(46 327)
Distributions from net income	(4)	(4)	(18 901)	(24 165)
Distributions from net gains	—	—	—	(1 212)
Distributions from capital	(2)	(1)	(9 209)	(8 014)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6)	(5)	(28 110)	(33 391)
NET INCREASE (DECREASE) IN NAV	550	(2 348)	(266 555)	(63 210)
NAV AT END OF PERIOD	\$ 606	\$ 56	\$ 901 598	\$ 1 168 153

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	26.6	34.5
AA	29.2	23.6
A	15.2	14.1
BBB	18.8	16.7
BB	3.7	4.1
B	3.0	2.8
CCC	0.3	0.3
D	0.1	–
Unrated	3.1	3.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	99.2	99.2
Cash/Other	0.8	0.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.4	5.3
1 – 5 years	56.8	53.2
5 – 10 years	19.8	23.0
> 10 years	19.0	18.5
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.3% (December 31, 2017 – 5.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	5.3	6.2
Other currencies	–	0.5
Total	5.3	6.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.3% (December 31, 2017 – 0.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	894 093	–	–	894 093
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 463	–	7 463
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	894 093	7 463	–	901 556
% of total portfolio	99.2	0.8	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	1 159 489	–	–	1 159 489
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	14 514	–	14 514
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 159 489	14 514	–	1 174 003
% of total portfolio	98.8	1.2	–	100.0



December 31, 2018

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.05%
Advisor Series	0.90%	0.05%
Series D	0.55%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	119	116
Series F	117	114
Series O	128	125
Value of all units	4	4

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Short Term Bond & Mortgage Fund	39.1	5.1	39.1	7.1
Phillips, Hager & North Total Return Bond Fund	21.0	2.2	20.9	2.9

Please see the generic notes at the back of the financial statements.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Bond Fund	21.8	1.0	21.8	1.4
RBC Emerging Markets Bond Fund	5.0	5.5	5.0	7.1
RBC Global Corporate Bond Fund	10.1	0.8	10.1	1.2
RBC High Yield Bond Fund	2.2	1.2	2.3	1.4

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	6 120
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	97 453	104 537
Issued number of units	10 547	28 158
Reinvested number of units	2 082	2 501
Redeemed number of units	(38 847)	(37 743)
Ending number of units	71 235	97 453
Advisor Series		
Opening units	4 716	5 234
Issued number of units	979	1 278
Reinvested number of units	105	126
Redeemed number of units	(2 327)	(1 922)
Ending number of units	3 473	4 716
Series D		
Opening units	2 004	1 936
Issued number of units	4 399	1 101
Reinvested number of units	89	51
Redeemed number of units	(1 721)	(1 084)
Ending number of units	4 771	2 004
Series F		
Opening units	14 195	11 320
Issued number of units	7 148	8 538
Reinvested number of units	189	138
Redeemed number of units	(7 935)	(5 801)
Ending number of units	13 597	14 195
Series O		
Opening units	5	225
Issued number of units	324	95
Reinvested number of units	—	—
Redeemed number of units	(271)	(315)
Ending number of units	58	5



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN BOND INDEX FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
1 565 484	RBC Canadian Bond Index ETF*	\$ 31 344	\$ 31 246	
TOTAL UNDERLYING FUNDS		31 344	31 246	99.4
SHORT-TERM INVESTMENTS†		85	85	0.3
TOTAL INVESTMENTS		<u>\$ 31 429</u>	31 331	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			114	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 31 445</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.22% and mature on January 15, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 31 331	\$ 36 064
Cash	45	11
Subscriptions receivable	36	7
Dividends receivable, interest accrued and other assets	52	157
TOTAL ASSETS	31 464	36 239
LIABILITIES		
Due to investment dealers	—	100
Redemptions payable	6	10
Accounts payable and accrued expenses	13	15
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	19	125
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 31 445	\$ 36 114
Investments at cost	\$ 31 429	\$ 35 579
NAV		
SERIES A	\$ 24 582	\$ 28 542
SERIES F	\$ 6 863	\$ 7 572
SERIES O	\$ —	\$ —
NAV PER UNIT		
SERIES A	\$ 11.36	\$ 11.58
SERIES F	\$ 11.56	\$ 11.78
SERIES O	\$ —	\$ —

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ —	\$ 1 379
Income from investment trusts	962	—
Net realized gain (loss) on investments	(22)	898
Change in unrealized gain (loss) on investments	(583)	(1 129)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	357	1 148
Securities lending revenue (see note 7 in the generic notes)	—	3
TOTAL OTHER INCOME (LOSS)	—	3
TOTAL INCOME (LOSS)	357	1 151
EXPENSES (see notes – Fund Specific Information)		
Management fees	130	240
Administration fees	17	20
Independent Review Committee costs	2	3
GST/HST	13	23
Transaction costs	6	2
Expenses reimbursed by manager	—	(3)
TOTAL EXPENSES	168	285
INCREASE (DECREASE) IN NAV	\$ 189	\$ 866
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 117	\$ 621
SERIES F	\$ 72	\$ 245
SERIES O	\$ —	\$ —
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.05	\$ 0.24
SERIES F	\$ 0.12	\$ 0.31
SERIES O	\$ —	\$ 0.21

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 189	\$ 866
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(37)	—
Net realized loss (gain) on investments	27	(896)
Change in unrealized loss (gain) on investments	583	1 129
(Increase) decrease in accrued receivables	105	137
Increase (decrease) in accrued payables	(2)	(20)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(11 157)	(53 789)
Proceeds from sale and maturity of investments	15 217	65 994
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	4 925	13 421
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	5 344	5 127
Cash paid on redemption of redeemable units	(10 017)	(18 269)
Distributions paid to holders of redeemable units	(218)	(366)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (4 891)	\$ (13 508)
Net increase (decrease) in cash for the period	34	(87)
Cash (bank overdraft), beginning of period	11	98
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 45	\$ 11
Interest received (paid)	\$ 105	\$ 1 516
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 28 542	\$ 33 157	\$ 7 572	\$ 15 570	\$ —	\$ 1	\$ 36 114	\$ 48 728
INCREASE (DECREASE) IN NAV	117	621	72	245	—	—	189	866
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	3 342	3 793	2 125	2 033	—	—	5 467	5 826
Reinvestments of distributions to holders of redeemable units	486	922	186	296	—	—	672	1 218
Redemption of redeemable units	(7 235)	(8 741)	(2 872)	(10 198)	—	(1)	(10 107)	(18 940)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 407)	(4 026)	(561)	(7 869)	—	(1)	(3 968)	(11 896)
Distributions from net income	(670)	(833)	(220)	(274)	—	—	(890)	(1 107)
Distributions from net gains	—	(377)	—	(100)	—	—	—	(477)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(670)	(1 210)	(220)	(374)	—	—	(890)	(1 584)
NET INCREASE (DECREASE) IN NAV	(3 960)	(4 615)	(709)	(7 998)	—	(1)	(4 669)	(12 614)
NAV AT END OF PERIOD	\$ 24 582	\$ 28 542	\$ 6 863	\$ 7 572	\$ —	\$ —	\$ 31 445	\$ 36 114

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide a total return consisting of income and modest capital gains by tracking the performance of the FTSE Canada Universe + Maple Bond Index and investing primarily in units of the RBC Canadian Bond Index ETF.

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

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC Canadian Bond Index ETF. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	36.4	37.8
AA	39.0	18.5
A	13.3	32.4
BBB	11.3	11.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Provincial/Municipal Bonds	34.1	32.6
Federal Bonds	33.3	35.8
Corporate Bonds	31.7	30.8
Cash/Other	0.9	0.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.7	0.6
1 – 5 years	44.7	42.0
5 – 10 years	22.8	26.0
> 10 years	31.8	31.4
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 6.8% (December 31, 2017 – 1.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	31 246	–	–	31 246
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	85	–	85
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	31 246	85	–	31 331
% of total portfolio	99.7	0.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	35 790	–	–	35 790
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	274	–	274
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	35 790	274	–	36 064
% of total portfolio	99.2	0.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	0.50%	0.05%
Series F	0.00%	0.05%

* Effective September 21, 2017, the management fees for Series A units were reduced to 0.50% from 0.60%; and for Series F units were reduced 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%.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Bond Index ETF	99.4	79.7	99.1	89.8

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	16
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 463	2 802
Issued number of units	293	319
Reinvested number of units	43	79
Redeemed number of units	(635)	(737)
Ending number of units	2 164	2 463
Series F		
Opening units	642	1 292
Issued number of units	184	167
Reinvested number of units	16	25
Redeemed number of units	(248)	(842)
Ending number of units	594	642

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	6	100	2	100
Related-party brokerage commissions*	5	83	2	100
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.

Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	39
Fair value of collateral received	—	40

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	4	100
RBC IS (paid)	—	(25)	(1)	(28)
Tax withheld	—	—	—	—
Fund revenue	—	75	3	72

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in fixed-income securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. In addition, the benchmark index will be changed to the FTSE Canada Universe Bond Index. If the change in investment objective is approved, all changes are expected to be effective on or about April 5, 2019.

Effective on or about April 5, 2019, the management fee of the Series F units of the Fund will be reduced from 0.10% to 0.09% per annum.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN GOVERNMENT BOND INDEX FUND

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
FEDERAL						
7 000	Canada Housing Trust No. 1	1.250	15-Dec-2020	\$ 6 993	\$ 6 903	
14 700	Canada Housing Trust No. 1	3.350	15-Dec-2020	14 735	15 084	
18 000	Canada Housing Trust No. 1	1.250	15-Jun-2021	17 942	17 662	
6 900	Canada Housing Trust No. 1	2.650	15-Mar-2022	6 901	7 009	
8 500	Canada Housing Trust No. 1	1.750	15-Jun-2022	8 329	8 379	
10 500	Canada Housing Trust No. 1	2.350	15-Sep-2023	10 588	10 531	
2 100	Canada Housing Trust No. 1	1.900	15-Sep-2026	2 035	2 020	
1 000	Canada Post Corp.	4.360	16-Jul-2040	1 000	1 246	
4 755	Government of Canada	3.500	01-Jun-2020	4 933	4 865	
6 500	Government of Canada	0.750	01-Sep-2020	6 504	6 384	
6 300	Government of Canada	0.500	01-Mar-2022	6 074	6 036	
4 900	Government of Canada	2.750	01-Jun-2022	5 249	5 041	
1 500	Government of Canada	1.750	01-Mar-2023	1 476	1 492	
5 620	Government of Canada	1.500	01-Jun-2023	5 308	5 529	
5 800	Government of Canada	2.250	01-Jun-2025	6 164	5 917	
7 000	Government of Canada	1.500	01-Jun-2026	7 211	6 792	
2 100	Government of Canada	1.000	01-Jun-2027	1 950	1 947	
2 800	Government of Canada	2.000	01-Jun-2028	2 719	2 809	
4 215	Government of Canada	5.750	01-Jun-2029	5 346	5 695	
2 042	Government of Canada	5.750	01-Jun-2033	2 419	2 974	
3 150	Government of Canada	5.000	01-Jun-2037	4 111	4 512	
7 500	Government of Canada	4.000	01-Jun-2041	8 847	9 897	
6 150	Government of Canada	3.500	01-Dec-2045	7 744	7 781	
600	Government of Canada	2.750	01-Dec-2048	673	675	
TOTAL CANADIAN BONDS				145 251	147 180	96.0
FOREIGN BONDS						
SUPRANATIONAL						
4 000	Inter-American Development Bank CAD	4.400	26-Jan-2026	3 989	4 432	
TOTAL FOREIGN BONDS				3 989	4 432	2.9
TOTAL BONDS				149 240	151 612	98.9
SHORT-TERM INVESTMENTS*				1 340	1 340	0.9
TOTAL INVESTMENTS				\$ 150 580	152 952	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					311	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 153 263	100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 152 952	\$ 174 576
Cash	61	61
Subscriptions receivable	122	42
Dividends receivable, interest accrued and other assets	464	483
TOTAL ASSETS	153 599	175 162
LIABILITIES		
Redemptions payable	257	152
Accounts payable and accrued expenses	79	90
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	336	242
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 153 263	\$ 174 920
Investments at cost	\$ 150 580	\$ 172 971
NAV		
SERIES A	\$ 149 846	\$ 172 163
SERIES F	\$ 3 417	\$ 2 757
NAV PER UNIT		
SERIES A	\$ 11.64	\$ 11.63
SERIES F	\$ 9.39	\$ 9.38

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 3 732	\$ 4 453
Net realized gain (loss) on investments	(819)	704
Change in unrealized gain (loss) on investments	767	(4 584)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	3 680	573
Securities lending revenue (see note 7 in the generic notes)	44	51
TOTAL OTHER INCOME (LOSS)	44	51
TOTAL INCOME (LOSS)	3 724	624
EXPENSES (see notes – Fund Specific Information)		
Management fees	790	955
Administration fees	79	144
Independent Review Committee costs	2	3
GST/HST	92	117
TOTAL EXPENSES	963	1 219
INCREASE (DECREASE) IN NAV	\$ 2 761	\$ (595)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 2 678	\$ (569)
SERIES F	\$ 83	\$ (26)
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.20	\$ (0.04)
SERIES F	\$ 0.26	\$ (0.13)

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 2 761	\$ (595)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	819	(704)
Change in unrealized loss (gain) on investments	(767)	4 584
(Increase) decrease in accrued receivables	19	83
Increase (decrease) in accrued payables	(11)	(28)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(242 009)	(328 047)
Proceeds from sale and maturity of investments	263 581	358 103
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	24 393	33 396
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	18 164	20 298
Cash paid on redemption of redeemable units	(42 461)	(53 589)
Distributions paid to holders of redeemable units	(96)	(105)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (24 393)	\$ (33 396)
Net increase (decrease) in cash for the period	—	—
Cash (bank overdraft), beginning of period	61	61
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 61	\$ 61
Interest received (paid)	\$ 3 751	\$ 4 536
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 172 163	\$ 208 349	\$ 2 757	\$ 641	\$ 174 920	\$ 208 990
INCREASE (DECREASE) IN NAV	2 678	(569)	83	(26)	2 761	(595)
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	17 901	19 617	1 610	2 983	19 511	22 600
Reinvestments of distributions to holders of redeemable units	2 682	3 108	54	36	2 736	3 144
Redemption of redeemable units	(42 812)	(55 137)	(1 021)	(833)	(43 833)	(55 970)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(22 229)	(32 412)	643	2 186	(21 586)	(30 226)
Distributions from net income	(2 766)	(3 205)	(66)	(44)	(2 832)	(3 249)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 766)	(3 205)	(66)	(44)	(2 832)	(3 249)
NET INCREASE (DECREASE) IN NAV	(22 317)	(36 186)	660	2 116	(21 657)	(34 070)
NAV AT END OF PERIOD	\$ 149 846	\$ 172 163	\$ 3 417	\$ 2 757	\$ 153 263	\$ 174 920



December 31, 2018

General information (see note 1 in the generic notes)

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

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018	December 31 2017
Rating		
AAA	100.0	100.0
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Federal Bonds	96.0	96.6
Supranational Bonds	2.9	2.6
Cash/Other	1.1	0.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	–	4.3
1 – 5 years	62.6	54.6
5 – 10 years	15.8	20.4
> 10 years	21.6	20.7
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.8% (December 31, 2017 – 5.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	151 612	–	151 612
Short-term investments	–	1 340	–	1 340
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	152 952	–	152 952
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	173 546	–	173 546
Short-term investments	–	1 030	–	1 030
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	174 576	–	174 576
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees†
Series A	0.50%	0.05%
Series F	0.20%	0.05%

* Effective June 30, 2017, the management fees for Series F units were reduced to 0.20% from 0.40%.

† Effective June 30, 2017, the administration fees for Series A units were reduced to 0.05% from 0.10%.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	105	103
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	915
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	14 804	17 543
Issued number of units	1 553	1 657
Reinvested number of units	232	265
Redeemed number of units	(3 715)	(4 661)
Ending number of units	12 874	14 804
Series F		
Opening units	294	67
Issued number of units	174	311
Reinvested number of units	6	4
Redeemed number of units	(110)	(88)
Ending number of units	364	294

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	72 574	69 321
Fair value of collateral received	74 449	71 065

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	59	100	70	100
RBC IS (paid)	(15)	(25)	(19)	(28)
Tax withheld	—	—	—	—
Fund revenue	44	75	51	72

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in fixed-income securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. If approved, this change is expected to be effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets		
EQUITIES						
Canada						
129 900	Bank of Montreal, Preferred Series 38, 4.850%	\$ 3 280	\$ 3 301			
537 515	Bank of Montreal, Preferred Series 40, 4.500%	13 438	12 083			
8 600	BCE Inc., Preferred Series AQ, 4.250%	171	182			
461 775	Canadian Imperial Bank of Commerce, Preferred Series 45, 4.400%	11 544	10 256			
1 400 000	Canadian Imperial Bank of Commerce, Preferred Series 47, 4.500%	35 000	29 400			
115 000	Element Fleet Management Corp., Preferred Series A, 6.600%	2 450	2 381			
14 000	Element Fleet Management Corp., Preferred Series E, 6.400%	290	271			
73 000	Element Fleet Management Corp., Preferred Series G, 6.500%	1 526	1 577			
138 800	Enbridge Inc., Preferred Series 1, 4.000%	4 242	3 979			
115 700	Enbridge Inc., Preferred Series 5, 4.400%	3 377	3 033			
86 000	Enbridge Inc., Preferred Series 11, 4.400%	1 470	1 432			
64 475	Enbridge Inc., Preferred Series 13, 4.400%	1 118	1 081			
522 680	Enbridge Inc., Preferred Series 17, 5.150%	13 133	12 926			
380 000	Enbridge Inc., Preferred Series 19, 4.900%	9 500	8 368			
140 000	Enbridge Inc., Preferred Series F, 4.000%	2 962	2 464			
95 000	Enbridge Inc., Preferred Series L, 4.000%	2 827	2 485			
477 500	Enbridge Inc., Preferred Series N, 4.000%	9 257	8 853			
119 600	Enbridge Inc., Preferred Series P, 4.000%	2 531	1 945			
234 100	Fortis Inc., Preferred Series G, 5.250%	5 360	4 429			
61 950	Manulife Financial Corporation, Preferred Series 13, 3.800%	1 398	1 204			
249 000	National Bank of Canada, Preferred Series 36, 5.400%	6 225	6 352			
330 000	National Bank of Canada, Preferred Series 38, 4.450%	8 250	7 310			
335 000	National Bank of Canada, Preferred Series 40, 4.600%	8 375	7 079			
75 800	Pembina Pipeline Corp., Preferred Series 1, 4.250%	1 677	1 372			
13 000	Pembina Pipeline Corp., Preferred Series 3, 4.700%	307	235			
760 000	Toronto-Dominion Bank, Preferred Series 18, 4.700%	19 000	16 910			
TOTAL EQUITIES		168 708	150 908	0.8		
UNDERLYING FUNDS						
21 334 214	BlueBay Emerging Markets Corporate Bond Fund*	224 807	220 783			
33 729 802	RBC Emerging Markets Foreign Exchange Fund*	344 930	357 458			
TOTAL UNDERLYING FUNDS		569 737	578 241	2.9		
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
6 000	407 International Inc.	2.470	08-Sep-2022	\$ 5 999	\$ 5 899	
4 500	407 International Inc.	3.350	16-May-2024	4 496	4 608	
20 250	407 International Inc.	5.750	14-Feb-2036	21 573	25 081	
25 000	407 International Inc.	3.650	08-Sep-2044	25 413	24 468	
51 050	407 International Inc.	3.830	11-May-2046	51 674	51 444	
7 400	407 International Inc.	3.600	21-May-2047	7 392	7 166	
10 000	407 International Inc.	3.720	11-May-2048	10 000	9 890	
1 718	Aéroports de Montréal	6.950	16-Apr-2032	2 095	2 192	
16 850	Aéroports de Montréal	5.670	16-Oct-2037	19 708	21 890	
6 700	Aéroports de Montréal	3.918	12-Jun-2045	6 700	7 072	
3 500	AIMCo Realty Investors LP	2.266	26-Jun-2024	3 500	3 370	
12 000	AIMCo Realty Investors LP	3.367	01-Jun-2027	12 000	12 131	
27 840	AIMCo Realty Investors LP	3.043	01-Jun-2028	27 506	27 343	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
14 200	Alectra Inc.	2.488	17-May-2027	\$ 13 769	\$ 13 619	
13 970	Alimentation Couche-Tard Inc.	3.319	01-Nov-2019	13 899	14 045	
1 000	Alimentation Couche-Tard Inc.	3.899	01-Nov-2022	1 009	1 020	
9 700	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	9 700	9 383	
1 242	Alliance Pipeline LP	5.546	31-Dec-2023	1 275	1 292	
2 541	Alliance Pipeline LP	6.765	31-Dec-2025	2 557	2 884	
379	Alliance Pipeline LP	7.217	31-Dec-2025	414	439	
13 500	AltaGas Ltd.	3.720	28-Sep-2021	13 584	13 584	
12 400	AltaGas Ltd.	3.570	12-Jun-2023	12 391	12 245	
14 750	AltaGas Ltd.	4.400	15-Mar-2024	15 461	15 020	
5 000	AltaGas Ltd.	3.840	15-Jan-2025	5 046	4 929	
13 000	AltaLink Investments LP	3.265	05-Jun-2020	13 124	13 105	
9 000	AltaLink LP	3.668	06-Nov-2023	9 682	9 360	
10 000	AltaLink LP	2.747	29-May-2026	10 000	9 845	
7 000	AltaLink LP	4.872	15-Nov-2040	8 276	8 174	
15 000	AltaLink LP	4.462	08-Nov-2041	16 304	16 601	
9 000	AltaLink LP	3.717	03-Dec-2046	8 896	8 913	
64 400	Bank of Montreal	2.840	04-Jun-2020	66 275	64 671	
38 150	Bank of Montreal	2.100	06-Oct-2020	38 475	37 820	
44 300	Bank of Montreal	1.880	31-Mar-2021	43 624	43 531	
57 500	Bank of Montreal	3.400	23-Apr-2021	60 216	58 399	
40 750	Bank of Montreal	1.610	28-Oct-2021	40 097	39 499	
6 000	Bank of Montreal GBP	1.375	29-Dec-2021	9 914	10 350	
26 800	Bank of Montreal	2.270	11-Jul-2022	26 714	26 295	
114 000	Bank of Montreal	2.890	20-Jun-2023	113 875	113 937	
21 000	Bank of Montreal	2.700	11-Sep-2024	20 997	20 695	
55 550	Bank of Montreal	3.190	01-Mar-2028	55 403	55 631	
82 750	Bank of Nova Scotia	2.270	13-Jan-2020	83 984	82 614	
86 800	Bank of Nova Scotia	2.130	15-Jun-2020	87 208	86 275	
47 400	Bank of Nova Scotia	2.090	09-Sep-2020	47 825	46 993	
35 000	Bank of Nova Scotia	3.270	11-Jan-2021	35 590	35 403	
75 200	Bank of Nova Scotia	2.873	04-Jun-2021	76 110	75 444	
22 000	Bank of Nova Scotia	1.900	02-Dec-2021	21 994	21 454	
37 500	Bank of Nova Scotia	1.830	27-Apr-2022	37 486	36 320	
56 400	Bank of Nova Scotia	2.360	08-Nov-2022	55 324	55 306	
44 300	Bank of Nova Scotia	2.980	17-Apr-2023	44 288	44 392	
32 300	Bank of Nova Scotia	2.290	28-Jun-2024	32 298	31 167	
17 275	Bank of Nova Scotia	3.100	02-Feb-2028	17 269	17 171	
4 545	Baytex Energy Corp. USD	5.125	01-Jun-2021	4 189	5 972	
370	Baytex Energy Corp. USD	5.625	01-Jun-2024	454	439	
6 725	BC Tel	9.650	08-Apr-2022	8 794	8 013	
23 000	bciMC Realty Corp.	2.100	03-Jun-2021	22 906	22 685	
4 500	bciMC Realty Corp.	3.000	31-Mar-2027	4 500	4 448	
18 000	Bell Canada	3.540	12-Jun-2020	18 026	18 196	
25 825	Bell Canada	3.250	17-Jun-2020	26 425	26 000	
10 000	Bell Canada	4.950	19-May-2021	10 162	10 447	
48 000	Bell Canada	2.000	01-Oct-2021	47 859	46 679	
55 500	Bell Canada	3.000	03-Oct-2022	55 519	55 029	
70 100	Bell Canada	3.350	22-Mar-2023	72 368	70 146	
20 000	Bell Canada	2.700	27-Feb-2024	19 977	19 312	
14 400	Bell Canada	3.350	12-Mar-2025	14 379	14 219	
24 000	Bell Canada	3.550	02-Mar-2026	24 096	23 841	
42 500	Bell Canada	3.600	29-Sep-2027	42 378	41 815	
8 000	Bell Canada	3.800	21-Aug-2028	7 991	7 924	
56 750	Bell Canada	6.100	16-Mar-2035	62 674	66 873	
13 000	Bell Canada	4.750	29-Sep-2044	12 883	12 986	
30 700	Bell Canada	4.350	18-Dec-2045	29 396	28 767	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
8 700	BMW Canada Inc.	1.830	15-Jun-2021	\$ 8 696	\$ 8 490	
17 000	Brookfield Infrastructure Finance ULC	3.315	22-Feb-2024	17 097	16 622	
17 500	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	17 500	17 331	
4 100	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	4 098	4 243	
15 000	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	14 874	14 841	
12 900	Brookfield Renewable Energy Partners ULC	3.630	15-Jan-2027	12 894	12 380	
2 500	Brookfield Renewable Energy Partners ULC	5.840	05-Nov-2036	2 532	2 742	
16 900	Bruce Power LP	2.844	23-Jun-2021	17 027	16 839	
11 000	Bruce Power LP	3.000	21-Jun-2024	10 944	10 775	
26 450	Caisse Centrale Desjardins	1.748	02-Mar-2020	26 178	26 223	
15 400	Caisse Centrale Desjardins	2.091	17-Jan-2022	15 400	15 077	
12 000	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	12 110	12 082	
11 500	Calloway Real Estate Investment Trust	3.985	30-May-2023	11 678	11 634	
13 900	Cameco Corp.	5.670	02-Sep-2019	15 417	14 152	
63 000	Canadian Credit Card Trust II	1.829	24-Mar-2020	62 960	62 467	
71 200	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	71 186	70 641	
75 000	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	74 947	74 179	
28 000	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	28 207	27 494	
11 800	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	11 458	11 482	
16 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	16 000	16 053	
15 000	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	14 698	14 642	
65 000	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	64 587	63 796	
48 200	Canadian Imperial Bank of Commerce	2.470	05-Dec-2022	48 020	47 427	
35 200	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	35 194	35 262	
12 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	11 999	11 963	
7 500	Canadian Natural Resources Ltd.	3.310	11-Feb-2022	7 642	7 493	
6 200	Canadian Pacific Railway Ltd.	5.100	14-Jan-2022	6 706	6 611	
19 000	Canadian Real Estate Investment Trust	2.564	30-Nov-2019	18 832	18 980	
18 000	Canadian Real Estate Investment Trust	4.323	15-Jan-2021	18 423	18 403	
12 800	Canadian Real Estate Investment Trust	2.951	18-Jan-2023	12 818	12 517	
13 500	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	13 465	13 361	
4 000	Canadian Utilities Ltd.	9.400	01-May-2023	5 769	5 036	
10 000	Canadian Western Bank	2.377	23-Jan-2020	10 000	9 957	
27 100	Canadian Western Bank	2.751	29-Jun-2020	27 074	27 031	
16 200	Canadian Western Bank	2.881	01-Mar-2021	16 200	16 131	
15 900	Canadian Western Bank	2.788	13-Sep-2021	15 805	15 733	
11 000	Canadian Western Bank	2.924	15-Dec-2022	11 000	10 821	
22 500	Capital Desjardins Inc.	5.187	05-May-2020	23 930	23 216	
5 100	Capital Power Corp.	4.850	21-Feb-2019	5 297	5 114	
41 700	Cards II Trust	2.155	15-Oct-2020	42 054	41 340	
9 100	CCL Industries Inc.	3.864	13-Apr-2028	9 110	9 120	
7 500	Cenovus Energy Inc. USD	6.750	15-Nov-2039	8 697	10 030	
16 600	Choice Properties LP	3.000	20-Sep-2019	16 627	16 635	
21 200	Choice Properties LP	3.600	20-Sep-2021	21 649	21 396	
5 000	Choice Properties LP	3.600	20-Sep-2022	5 197	5 030	
12 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	11 977	11 868	
13 000	Choice Properties Real Estate Investment Trust	3.196	07-Mar-2023	13 035	12 814	
25 500	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	25 500	25 122	
6 250	Choice Properties Real Estate Investment Trust	3.546	10-Jan-2025	6 250	6 137	
6 000	Choice Properties Real Estate Investment Trust	4.055	24-Nov-2025	6 000	6 012	
11 000	CT Real Estate Investment Trust	3.469	16-Jun-2027	10 770	10 471	
15 000	CT Real Estate Investment Trust	3.865	07-Dec-2027	14 855	14 561	
3 200	Daimler Canada Finance Inc.	1.570	25-May-2020	3 200	3 146	
4 000	Daimler Canada Finance Inc.	1.910	08-Jul-2021	3 999	3 893	
40 450	Daimler Canada Finance Inc.	2.230	16-Dec-2021	40 133	39 517	
11 000	Daimler Canada Finance Inc.	3.050	16-May-2022	10 998	10 977	
9 600	Daimler Canada Finance Inc.	3.300	16-Aug-2022	9 597	9 642	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
6 200	Dollarama Inc.	2.337	22-Jul-2021	\$ 6 200	\$ 6 066	
6 000	Dollarama Inc.	2.203	10-Nov-2022	6 000	5 736	
32 200	Emera Inc.	2.900	16-Jun-2023	31 860	31 600	
36 000	Enbridge Gas Distribution Inc.	3.150	22-Aug-2024	37 523	36 203	
10 200	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	10 389	10 299	
25 200	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	28 067	29 471	
19 100	Enbridge Gas Distribution Inc.	4.500	23-Nov-2043	19 539	20 939	
25 000	Enbridge Gas Distribution Inc.	4.000	22-Aug-2044	25 775	25 410	
8 900	Enbridge Inc.	4.100	22-Feb-2019	8 920	8 841	
2 000	Enbridge Inc.	4.770	02-Sep-2019	2 032	2 029	
26 500	Enbridge Inc.	3.190	05-Dec-2022	26 895	26 431	
12 000	Enbridge Inc.	5.570	14-Nov-2035	13 083	13 126	
14 500	Enbridge Inc.	4.570	11-Mar-2044	14 525	13 984	
10 000	Enbridge Inc. USD	4.500	10-Jun-2044	9 684	12 727	
2 120	Enbridge Inc. USD	5.500	15-Jul-2077	2 443	2 461	
15 500	Enbridge Inc.	5.375	27-Sep-2077	15 236	14 321	
5 700	Enbridge Pipelines Inc.	4.490	12-Nov-2019	6 142	5 807	
15 000	Enbridge Pipelines Inc.	4.450	06-Apr-2020	16 338	15 319	
10 000	Enbridge Pipelines Inc.	3.450	29-Sep-2025	10 418	10 019	
4 000	Enbridge Pipelines Inc.	3.000	10-Aug-2026	4 000	3 866	
31 300	Enbridge Pipelines Inc.	4.130	09-Aug-2046	31 571	29 346	
11 700	EPCOR Utilities Inc.	4.550	28-Feb-2042	12 410	13 067	
3 500	EPCOR Utilities Inc.	3.554	27-Nov-2047	3 500	3 362	
22 000	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	22 601	23 666	
3 900	Fairfax Financial Holdings Ltd.	4.500	22-Mar-2023	4 047	4 035	
3 000	Fairfax Financial Holdings Ltd.	4.700	16-Dec-2026	3 069	3 071	
19 300	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	19 146	18 916	
54 100	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	53 722	53 186	
12 000	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	12 000	12 058	
1 100	Finning International Inc.	2.840	29-Sep-2021	1 100	1 097	
12 222	First Capital Realty Inc.	4.430	31-Jan-2022	12 116	12 596	
9 800	First Capital Realty Inc.	4.790	30-Aug-2024	10 472	10 266	
30 000	Ford Credit Canada Co.	3.140	14-Jun-2019	30 000	30 038	
38 800	Ford Credit Canada Co.	2.923	16-Sep-2020	38 948	38 209	
33 700	Ford Credit Canada Co.	2.580	10-May-2021	33 516	32 524	
15 000	Ford Credit Canada Co.	2.710	23-Feb-2022	15 000	14 233	
45 900	Ford Credit Canada Co.	2.766	22-Jun-2022	45 394	43 304	
15 650	Ford Credit Canada Co.	3.742	08-May-2023	15 650	14 958	
28 800	Fortified Trust	2.161	23-Oct-2020	28 800	28 563	
9 000	Fortis Inc.	2.850	12-Dec-2023	8 959	8 875	
10 300	FortisAlberta Inc.	6.220	31-Oct-2034	12 454	13 313	
12 300	FortisAlberta Inc.	4.110	29-Sep-2044	12 244	12 886	
5 000	FortisAlberta Inc.	3.340	21-Sep-2046	4 992	4 601	
7 200	FortisAlberta Inc.	3.672	09-Sep-2047	7 200	7 035	
14 000	FortisBC Energy Inc.	2.580	08-Apr-2026	13 974	13 619	
15 733	FortisBC Energy Inc.	5.900	26-Feb-2035	17 009	19 937	
4 200	FortisBC Energy Inc.	3.375	13-Apr-2045	3 654	3 937	
6 000	FortisBC Energy Inc.	3.690	30-Oct-2047	6 061	5 916	
10 000	GE Capital Canada Funding Co.	4.600	26-Jan-2022	11 276	10 069	
7 000	General Motors Financial of Canada Ltd.	3.080	22-May-2020	6 976	6 984	
14 800	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	14 796	14 637	
9 000	General Motors Financial of Canada Ltd.	2.600	01-Jun-2022	8 991	8 640	
38 500	Genesis Trust II	1.699	15-Apr-2020	38 292	38 103	
23 000	Genworth MI Canada Inc.	5.680	15-Jun-2020	23 971	23 794	
17 200	George Weston Ltd.	4.115	17-Jun-2024	17 321	17 497	
2 145	Gibson Energy Inc.	5.375	15-Jul-2022	2 037	2 147	
1 600	Gibson Energy Inc.	5.250	15-Jul-2024	1 612	1 557	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
15 800	Glacier Credit Card Trust	2.048	20-Sep-2022	\$ 15 800	\$ 15 298	
31 500	Glacier Credit Card Trust	3.138	20-Sep-2023	31 500	31 654	
10 000	Greater Toronto Airports Authority	3.040	21-Sep-2022	10 455	10 141	
25 050	Greater Toronto Airports Authority	6.980	15-Oct-2032	35 163	34 881	
52 750	Greater Toronto Airports Authority	6.470	02-Feb-2034	66 960	70 977	
13 600	Greater Toronto Airports Authority	3.260	01-Jun-2037	13 591	13 176	
20 000	Great-West Lifeco Inc.	4.650	13-Aug-2020	22 349	20 636	
23 250	Great-West Lifeco Inc.	6.740	24-Nov-2031	28 233	30 345	
33 900	H&R Real Estate Investment Trust	2.923	06-May-2022	33 642	33 165	
6 500	H&R Real Estate Investment Trust	3.416	23-Jan-2023	6 500	6 398	
6 000	H&R Real Estate Investment Trust	3.369	30-Jan-2024	6 004	5 827	
32 500	Hollis Receivables Term Trust II	1.788	26-Feb-2020	32 357	32 230	
10 000	Honda Canada Finance Inc.	2.155	18-Feb-2021	10 000	9 866	
6 000	Honda Canada Finance Inc.	2.537	01-Mar-2023	6 000	5 876	
12 800	Honda Canada Finance Inc.	3.176	28-Aug-2023	12 800	12 832	
36 200	HSBC Bank Canada	2.938	14-Jan-2020	36 775	36 328	
61 200	HSBC Bank Canada	2.449	29-Jan-2021	61 581	60 713	
5 000	HSBC Bank Canada	2.908	29-Sep-2021	5 041	4 997	
20 400	HSBC Bank Canada	2.170	29-Jun-2022	20 216	19 824	
25 100	HSBC Bank Canada	2.542	31-Jan-2023	25 100	24 564	
28 000	HSBC Bank Canada	3.245	15-Sep-2023	28 000	28 108	
19 900	Husky Energy Inc.	3.600	10-Mar-2027	19 765	19 128	
21 000	Hydro One Inc.	2.570	25-Jun-2021	20 998	20 933	
15 500	Hydro One Inc.	2.970	26-Jun-2025	15 495	15 365	
25 500	Hydro One Inc.	2.770	24-Feb-2026	25 710	24 839	
1 200	Hydro One Inc.	6.930	01-Jun-2032	1 681	1 597	
99 150	Hydro One Inc.	5.360	20-May-2036	116 460	118 021	
12 500	Hydro One Inc.	4.170	06-Jun-2044	13 662	13 027	
2 500	Hydro One Inc.	3.910	23-Feb-2046	2 497	2 503	
5 000	Hydro One Inc.	3.720	18-Nov-2047	5 000	4 849	
22 500	Hydro One Inc.	3.630	25-Jun-2049	22 496	21 385	
27 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	27 403	27 206	
19 600	Inter Pipeline Ltd.	4.967	02-Feb-2021	20 975	20 320	
18 000	Inter Pipeline Ltd.	3.776	30-May-2022	18 421	18 227	
9 000	Inter Pipeline Ltd.	2.734	18-Apr-2024	8 844	8 580	
18 500	Inter Pipeline Ltd.	4.637	30-May-2044	17 715	17 542	
5 000	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	5 000	4 999	
10 000	Keyera Corp.	3.934	21-Jun-2028	9 976	9 849	
14 475	Loblaw Companies Ltd.	3.748	12-Mar-2019	14 533	14 525	
6 000	Loblaw Companies Ltd.	5.220	18-Jun-2020	6 352	6 206	
28 100	Loblaw Companies Ltd.	4.860	12-Sep-2023	30 820	29 683	
11 000	Loblaw Companies Ltd.	3.918	10-Jun-2024	11 000	11 201	
12 500	Loblaw Companies Ltd.	6.450	09-Feb-2028	14 140	14 707	
27 250	Loblaw Companies Ltd.	6.050	09-Jun-2034	30 167	31 405	
48 550	Loblaw Companies Ltd.	5.900	18-Jan-2036	49 741	55 341	
11 600	Manulife Bank of Canada	1.915	01-Sep-2021	11 600	11 323	
6 250	Manulife Bank of Canada	2.082	26-May-2022	6 250	6 077	
10 750	Manulife Bank of Canada	2.844	12-Jan-2023	10 750	10 665	
15 500	Manulife Financial Corporation	5.059	15-Dec-2041	15 059	16 692	
600	Mattamy Group Corp. USD	6.875	15-Dec-2023	769	769	
2 650	Mattamy Group Corp. USD	6.500	01-Oct-2025	3 398	3 256	
4 000	Metro Inc.	3.200	01-Dec-2021	4 065	4 007	
8 800	Metro Inc.	2.680	05-Dec-2022	8 712	8 601	
16 000	Metro Inc.	3.390	06-Dec-2027	15 797	15 321	
61 250	National Bank of Canada	1.742	03-Mar-2020	61 017	60 720	
21 950	National Bank of Canada	1.809	26-Jul-2021	21 966	21 443	
36 500	National Bank of Canada	2.105	18-Mar-2022	35 810	35 696	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
39 660	National Bank of Canada	1.957	30-Jun-2022	\$ 38 710	\$ 38 482	
1 500	New Gold Inc. USD	6.250	15-Nov-2022	1 819	1 730	
1 125	New Gold Inc. USD	6.375	15-May-2025	1 524	1 175	
5 300	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	5 300	5 243	
3 500	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	3 500	3 462	
15 000	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	15 000	14 998	
2 700	North West Redwater Partnership	3.200	22-Jul-2024	2 696	2 693	
24 500	North West Redwater Partnership	2.800	01-Jun-2027	23 805	23 221	
13 500	North West Redwater Partnership	4.150	01-Jun-2033	13 657	13 788	
4 554	Nova Gas Transmission Ltd.	9.900	16-Dec-2024	5 946	6 096	
10 700	Nova Scotia Power Inc.	5.610	15-Jun-2040	13 050	13 254	
7 000	Nova Scotia Power Inc.	4.150	06-Mar-2042	7 422	7 206	
8 000	Nova Scotia Power Inc.	4.500	20-Jul-2043	7 876	8 629	
12 000	Nova Scotia Power Inc.	3.612	01-May-2045	10 949	11 271	
24 500	OMERS Realty Corp.	3.328	12-Nov-2024	25 287	24 941	
10 000	OMERS Realty Corp.	3.331	05-Jun-2025	10 000	10 161	
24 500	OMERS Realty Corp.	3.244	04-Oct-2027	24 626	24 625	
50	Parkland Fuel Corp.	5.750	16-Sep-2024	51	49	
4 325	Parkland Fuel Corp.	5.625	09-May-2025	4 338	4 123	
10 000	Pembina Pipeline Corp.	4.890	29-Mar-2021	10 098	10 370	
15 500	Pembina Pipeline Corp.	3.770	24-Oct-2022	15 984	15 693	
10 750	Pembina Pipeline Corp.	2.990	22-Jan-2024	10 693	10 455	
5 000	Pembina Pipeline Corp.	3.540	03-Feb-2025	4 869	4 946	
9 500	Pembina Pipeline Corp.	4.240	15-Jun-2027	9 424	9 666	
11 000	Pembina Pipeline Corp.	4.020	27-Mar-2028	10 999	10 937	
9 100	Pembina Pipeline Corp.	4.750	30-Apr-2043	8 953	8 715	
20 450	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	20 449	20 078	
5 000	Power Corp of Canada	4.455	27-Jul-2048	5 000	5 025	
1 990	Precision Drilling Corp. USD	7.750	15-Dec-2023	2 680	2 516	
1 070	Precision Drilling Corp. USD	7.125	15-Jan-2026	1 400	1 264	
26 500	Reliance LP	5.187	15-Mar-2019	27 985	26 639	
2 500	RioCan Real Estate Investment Trust	2.194	09-Apr-2021	2 500	2 450	
7 500	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	7 491	7 363	
9 750	Rogers Communications Inc.	5.380	04-Nov-2019	10 045	9 969	
26 200	Rogers Communications Inc.	4.700	29-Sep-2020	27 932	27 001	
46 500	Rogers Communications Inc.	5.340	22-Mar-2021	52 066	48 783	
13 400	Rogers Communications Inc.	4.000	13-Mar-2024	13 752	13 747	
76 750	Rogers Communications Inc.	6.110	25-Aug-2040	87 639	90 517	
25 000	Royal Bank of Canada*	1.920	17-Jul-2020	25 110	24 763	
19 000	Royal Bank of Canada*	2.860	04-Mar-2021	19 122	19 071	
122 000	Royal Bank of Canada*	2.030	15-Mar-2021	122 571	120 316	
92 000	Royal Bank of Canada*	1.583	13-Sep-2021	91 320	89 234	
7 000	Royal Bank of Canada*	1.968	02-Mar-2022	6 801	6 827	
50 500	Royal Bank of Canada*	2.000	21-Mar-2022	50 492	49 255	
108 700	Royal Bank of Canada*	2.360	05-Dec-2022	108 690	106 692	
60 100	Royal Bank of Canada*	2.949	01-May-2023	60 100	60 234	
20 000	Royal Bank of Canada*	3.296	26-Sep-2023	20 082	20 092	
9 700	Scotiabank Capital Trust	7.802	30-Jun-2108	10 473	9 937	
3 575	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	4 489	4 386	
21 900	Shaw Communications Inc.	5.650	01-Oct-2019	24 460	22 370	
42 500	Shaw Communications Inc.	3.150	19-Feb-2021	42 688	42 500	
45 500	Shaw Communications Inc.	3.800	02-Nov-2023	45 500	45 796	
22 200	Shaw Communications Inc.	4.350	31-Jan-2024	22 627	22 858	
10 500	Shaw Communications Inc.	3.800	01-Mar-2027	10 585	10 286	
14 500	Shaw Communications Inc.	4.400	02-Nov-2028	14 459	14 533	
28 600	Shaw Communications Inc.	6.750	09-Nov-2039	31 683	34 112	
18 700	Sun Life Financial Inc.	5.700	02-Jul-2019	20 381	19 006	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
10 000	Sun Life Financial Inc.	5.400	29-May-2042	\$ 10 249	\$ 11 507	
7 000	Suncor Energy Inc.	3.100	26-Nov-2021	6 976	7 028	
17 900	Suncor Energy Inc.	5.390	26-Mar-2037	17 756	20 435	
2 500	Superior Plus Corp. USD	7.000	15-Jul-2026	3 322	3 311	
2 900	Superior Plus LP	5.250	27-Feb-2024	2 965	2 733	
700	Superior Plus LP	5.125	27-Aug-2025	699	641	
3 000	TCHC Issuer Trust	4.877	11-May-2037	3 000	3 509	
37 130	TELUS Corp.	5.050	23-Jul-2020	39 559	38 405	
12 000	TELUS Corp.	3.600	26-Jan-2021	12 026	12 157	
33 500	TELUS Corp.	3.200	05-Apr-2021	34 434	33 650	
20 600	TELUS Corp.	2.350	28-Mar-2022	20 164	20 110	
26 775	TELUS Corp.	3.350	15-Mar-2023	27 303	26 815	
10 000	TELUS Corp.	3.750	17-Jan-2025	10 177	10 106	
13 850	TELUS Corp.	3.625	01-Mar-2028	13 704	13 582	
63 750	TELUS Corp.	4.400	01-Apr-2043	61 201	59 664	
23 500	TELUS Corp.	4.400	29-Jan-2046	22 158	21 866	
6 700	TELUS Corp.	4.700	06-Mar-2048	6 795	6 540	
5 000	Teranet Holdings LP	4.807	16-Dec-2020	5 465	5 143	
14 300	Teranet Holdings LP	5.754	17-Dec-2040	14 273	14 563	
10 900	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	10 932	10 908	
16 500	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	16 399	16 329	
9 200	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	9 200	9 230	
18 160	Thomson Reuters Corp.	3.309	12-Nov-2021	18 160	18 340	
9 000	Toronto Hydro Corp.	2.520	25-Aug-2026	9 091	8 736	
3 000	Toronto Hydro Corp.	4.080	16-Sep-2044	3 455	3 173	
45 000	Toronto-Dominion Bank	1.693	02-Apr-2020	44 577	44 564	
52 000	Toronto-Dominion Bank	2.563	24-Jun-2020	52 726	52 026	
104 700	Toronto-Dominion Bank	2.045	08-Mar-2021	104 734	103 368	
56 000	Toronto-Dominion Bank	2.621	22-Dec-2021	57 039	55 796	
50 800	Toronto-Dominion Bank	1.994	23-Mar-2022	49 814	49 590	
68 700	Toronto-Dominion Bank	3.005	30-May-2023	68 700	69 108	
42 300	Toronto-Dominion Bank	1.909	18-Jul-2023	41 577	40 564	
50 000	Toronto-Dominion Bank	3.226	24-Jul-2024	51 194	50 716	
19 300	Toyota Credit Canada Inc.	1.800	19-Feb-2020	19 412	19 145	
15 000	Toyota Credit Canada Inc.	2.200	25-Feb-2021	14 970	14 824	
10 000	Toyota Credit Canada Inc.	1.750	21-Jul-2021	9 983	9 738	
15 000	Toyota Credit Canada Inc.	2.020	28-Feb-2022	14 995	14 605	
18 500	Toyota Credit Canada Inc.	2.350	18-Jul-2022	18 498	18 122	
6 000	Toyota Credit Canada Inc.	2.620	11-Oct-2022	6 000	5 917	
15 000	Toyota Credit Canada Inc.	2.700	25-Jan-2023	14 990	14 804	
13 625	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	14 142	13 914	
12 000	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	11 985	11 952	
4 700	TransCanada PipeLines Ltd.	3.390	15-Mar-2028	4 698	4 568	
24 700	TransCanada PipeLines Ltd.	5.650	20-Jun-2029	25 825	27 379	
21 300	TransCanada PipeLines Ltd.	4.550	15-Nov-2041	20 812	21 027	
12 000	TransCanada PipeLines Ltd.	4.330	16-Sep-2047	11 998	11 389	
14 000	TransCanada PipeLines Ltd.	4.180	03-Jul-2048	13 995	12 911	
31 500	Union Gas Ltd.	3.190	17-Sep-2025	32 350	31 630	
6 000	Union Gas Ltd.	2.810	01-Jun-2026	6 136	5 841	
6 000	Union Gas Ltd.	5.460	11-Sep-2036	7 316	7 202	
20 000	Union Gas Ltd.	6.050	02-Sep-2038	25 168	25 982	
7 000	Union Gas Ltd.	4.880	21-Jun-2041	8 333	8 013	
19 750	Union Gas Ltd.	4.200	02-Jun-2044	20 686	20 708	
2 425	Vermilion Energy Inc. USD	5.625	15-Mar-2025	3 256	3 120	
3 445	Videotron Ltd.	5.625	15-Jun-2025	3 498	3 501	
3 980	Videotron Ltd.	5.750	15-Jan-2026	4 013	4 043	
15 350	VW Credit Canada Inc.	2.150	24-Jun-2020	14 475	15 160	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
12 500	VW Credit Canada Inc.	2.900	29-Mar-2021	\$ 12 487	\$ 12 422	
18 000	VW Credit Canada Inc.	3.700	14-Nov-2022	17 970	18 139	
12 700	Wells Fargo Canada Corp.	2.944	25-Jul-2019	12 823	12 740	
96 100	Wells Fargo Canada Corp.	3.040	29-Jan-2021	97 389	96 548	
26 900	Wells Fargo Canada Corp.	3.460	24-Jan-2023	28 380	27 355	
2 000	Westcoast Energy Inc.	5.600	16-Jan-2019	2 202	2 002	
2 000	Westcoast Energy Inc.	3.883	28-Oct-2021	2 102	2 048	
8 250	Westcoast Energy Inc.	6.750	15-Dec-2027	9 350	10 049	
				7 680 965	7 634 223	38.4
FEDERAL						
113 355	Canada Housing Trust No. 1	2.650	15-Mar-2022	115 885	115 147	
159 380	Canada Housing Trust No. 1	2.350	15-Sep-2023	158 507	159 845	
63 000	Canada Housing Trust No. 1	1.900	15-Sep-2026	60 498	60 606	
48 000	Government of Canada	0.750	01-Sep-2021	47 681	46 618	
14 200	Government of Canada	2.750	01-Jun-2022	14 996	14 610	
90 000	Government of Canada	1.500	01-Jun-2023	87 998	88 548	
305 020	Government of Canada	1.500	01-Jun-2026	303 545	295 961	
226 270	Government of Canada	1.000	01-Jun-2027	208 767	209 757	
300 125	Government of Canada	2.000	01-Jun-2028	293 659	301 067	
29 440	Government of Canada	5.750	01-Jun-2029	40 697	39 780	
17 475	Government of Canada	5.750	01-Jun-2033	25 607	25 450	
27 500	Government of Canada	5.000	01-Jun-2037	39 721	39 388	
46 252	Government of Canada	4.000	01-Jun-2041	55 355	61 033	
53 812	Government of Canada	3.500	01-Dec-2045	70 640	68 083	
305 064	Government of Canada	2.750	01-Dec-2048	333 831	343 054	
				1 857 387	1 868 947	9.4
PROVINCIAL/MUNICIPAL						
11 000	CDP Financial Inc.	4.600	15-Jul-2020	11 008	11 404	
8 000	Ontario Infrastructure Projects Corp.	4.700	01-Jun-2037	8 011	9 475	
3 200	Province of British Columbia	9.950	15-May-2021	4 572	3 771	
65 146	Province of British Columbia	5.700	18-Jun-2029	76 307	82 073	
50 000	Province of Manitoba	2.450	02-Jun-2025	49 975	49 353	
14 000	Province of Manitoba	4.600	05-Mar-2038	13 551	16 569	
18 900	Province of Manitoba	4.650	05-Mar-2040	20 623	22 696	
15 000	Province of Manitoba	3.400	05-Sep-2048	15 578	15 162	
25 696	Province of New Brunswick	4.500	02-Jun-2020	28 913	26 569	
10 000	Province of New Brunswick	2.850	02-Jun-2023	10 394	10 147	
26 000	Province of New Brunswick	2.350	14-Aug-2027	24 714	24 915	
21 024	Province of New Brunswick	4.800	03-Jun-2041	21 449	25 598	
20 000	Province of New Brunswick	3.800	14-Aug-2045	20 961	21 327	
25 000	Province of New Brunswick	3.100	14-Aug-2048	24 072	23 584	
2 100	Province of Newfoundland and Labrador	6.150	17-Apr-2028	2 272	2 627	
7 000	Province of Nova Scotia	9.600	30-Jan-2022	9 783	8 477	
11 021	Province of Nova Scotia	6.600	01-Dec-2031	10 992	15 252	
15 250	Province of Nova Scotia	4.500	01-Jun-2037	16 551	18 046	
69 950	Province of Ontario	4.200	02-Jun-2020	73 227	72 051	
288 290	Province of Ontario	4.000	02-Jun-2021	312 427	300 600	
50 000	Province of Ontario	1.350	08-Mar-2022	48 497	48 568	
140 820	Province of Ontario	3.150	02-Jun-2022	144 832	144 577	
287 300	Province of Ontario	2.850	02-Jun-2023	281 137	292 016	
250 750	Province of Ontario	3.500	02-Jun-2024	258 972	262 783	
416 570	Province of Ontario	2.600	02-Jun-2025	419 353	415 815	
319 800	Province of Ontario	2.400	02-Jun-2026	318 916	313 176	
13 000	Province of Ontario	8.000	02-Dec-2026	19 562	17 774	
426 000	Province of Ontario	2.600	02-Jun-2027	423 060	420 202	
279 000	Province of Ontario	2.900	02-Jun-2028	275 040	280 830	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
121 030	Province of Ontario	6.500	08-Mar-2029	\$ 152 763	\$ 159 127	
123 300	Province of Ontario	5.600	02-Jun-2035	164 249	162 384	
145 700	Province of Ontario	4.700	02-Jun-2037	151 842	177 072	
289 050	Province of Ontario	4.600	02-Jun-2039	344 754	350 903	
250 625	Province of Ontario	4.650	02-Jun-2041	280 294	308 636	
403 965	Province of Ontario	3.500	02-Jun-2043	417 122	424 127	
507 640	Province of Ontario	3.450	02-Jun-2045	516 044	529 782	
434 450	Province of Ontario	2.900	02-Dec-2046	404 455	410 027	
131 950	Province of Ontario	2.800	02-Jun-2048	125 978	122 292	
138 000	Province of Ontario	2.900	02-Jun-2049	131 938	130 710	
9 000	Province of Prince Edward Island	4.650	19-Nov-2037	10 043	10 502	
120 170	Province of Quebec	4.500	01-Dec-2020	132 045	125 637	
157 790	Province of Quebec	3.500	01-Dec-2022	163 827	164 543	
237 500	Province of Quebec	3.000	01-Sep-2023	234 407	243 361	
177 600	Province of Quebec	3.750	01-Sep-2024	188 525	189 015	
175 050	Province of Quebec	2.750	01-Sep-2025	178 470	176 608	
132 400	Province of Quebec	2.500	01-Sep-2026	131 577	130 806	
245 000	Province of Quebec	2.750	01-Sep-2027	246 063	245 358	
270 000	Province of Quebec	2.750	01-Sep-2028	264 643	269 598	
82 150	Province of Quebec	6.000	01-Oct-2029	108 986	105 849	
25 000	Province of Quebec	6.250	01-Jun-2032	26 184	34 062	
29 400	Province of Quebec	5.750	01-Dec-2036	37 189	40 105	
100 090	Province of Quebec	5.000	01-Dec-2038	110 449	127 937	
140 840	Province of Quebec	5.000	01-Dec-2041	168 055	183 445	
122 555	Province of Quebec	4.250	01-Dec-2043	137 150	145 785	
142 250	Province of Quebec	3.500	01-Dec-2045	151 606	151 228	
15 000	Province of Quebec	3.500	01-Dec-2048	15 480	16 063	
7 500	Simcoe County Board of Education	6.800	19-Jun-2026	7 488	9 313	
				7 946 375	8 099 712	40.8
TOTAL CANADIAN BONDS				17 484 727	17 602 882	88.6
FOREIGN BONDS						
Australia						
2 245	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	2 923	2 831	
				2 923	2 831	—
Azerbaijan						
4 440	Republic of Azerbaijan USD	4.750	18-Mar-2024	5 780	6 059	
1 669	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	2 015	2 277	
				7 795	8 336	—
Bahamas						
2 450	Bahamas Government USD	5.750	16-Jan-2024	3 271	3 404	
				3 271	3 404	—
Bolivia						
500	Bolivian Government USD	5.950	22-Aug-2023	685	679	
				685	679	—
Brazil						
1 875	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	2 572	2 676	
450	Republic of Brazil USD	4.625	13-Jan-2028	552	593	
3 350	Republic of Brazil USD	5.625	07-Jan-2041	4 129	4 411	
				7 253	7 680	—
Chile						
3 550	Republic of Chile USD	3.860	21-Jun-2047	4 462	4 542	
				4 462	4 542	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
China						
300	Sinochem Overseas Capital Co. Ltd. USD	4.500	12-Nov-2020	\$ 349	\$ 416	
700	Sinopec Group Overseas Development 2012 Ltd. USD	3.900	17-May-2022	935	964	
1 900	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	2 609	2 742	
450	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	617	627	
1 275	The Export-Import Bank of China USD	3.625	31-Jul-2024	1 692	1 743	
				6 202	6 492	—
Colombia						
2 525	Republic of Colombia USD	8.125	21-May-2024	3 959	4 047	
1 100	Republic of Colombia USD	3.875	25-Apr-2027	1 366	1 439	
6 025	Republic of Colombia USD	6.125	18-Jan-2041	8 894	8 932	
				14 219	14 418	0.1
Costa Rica						
880	Banco Nacional de Costa Rica USD	6.250	01-Nov-2023	1 197	1 136	
2 650	Costa Rica Government USD	7.000	04-Apr-2044	3 379	3 079	
				4 576	4 215	—
Croatia						
2 090	Croatia Government USD	6.750	05-Nov-2019	2 896	2 930	
3 470	Croatia Government USD	5.500	04-Apr-2023	4 843	4 984	
585	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	818	833	
				8 557	8 747	0.1
Dominican Republic						
4 635	Dominican Republic USD	7.500	06-May-2021	6 417	6 549	
2 250	Dominican Republic USD	5.875	18-Apr-2024	3 045	3 115	
3 145	Dominican Republic USD	7.450	30-Apr-2044	4 531	4 485	
				13 993	14 149	0.1
Georgia						
1 500	Georgia Government USD	6.875	12-Apr-2021	2 070	2 157	
				2 070	2 157	—
Guatemala						
760	Republic of Guatemala USD	5.750	06-Jun-2022	1 058	1 077	
2 625	Republic of Guatemala USD	4.500	03-May-2026	3 351	3 373	
				4 409	4 450	—
Honduras						
1 415	Honduras Government USD	6.250	19-Jan-2027	1 895	1 913	
				1 895	1 913	—
Hungary						
2 000	Hungary Government USD	6.250	29-Jan-2020	2 963	2 812	
4 055	Hungary Government USD	5.375	25-Mar-2024	5 726	5 946	
1 200	Hungary Government USD	7.625	29-Mar-2041	2 182	2 307	
				10 871	11 065	0.1
India						
2 650	Export-Import Bank of India USD	3.375	05-Aug-2026	3 204	3 332	
2 000	Export-Import Bank of India USD	3.875	01-Feb-2028	2 416	2 566	
450	NTPC Ltd. USD	5.625	14-Jul-2021	603	640	
				6 223	6 538	—
Indonesia						
2 780	Government of Indonesia USD	4.875	05-May-2021	3 646	3 886	
2 500	Government of Indonesia USD	4.125	15-Jan-2025	3 303	3 369	
1 840	Government of Indonesia USD	5.250	17-Jan-2042	2 526	2 536	
2 380	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	2 983	2 904	
2 650	Pertamina Persero PT USD	5.625	20-May-2043	3 471	3 435	
2 725	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	3 697	3 726	
3 725	Perusahaan Listrik Negara PT USD	5.500	22-Nov-2021	4 831	5 257	
				24 457	25 113	0.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ireland						
2 050	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	\$ 2 651	\$ 2 658	
300	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	413	410	
				3 064	3 068	—
Jordan						
2 275	Jordan Government USD	6.125	29-Jan-2026	2 995	2 988	
				2 995	2 988	—
Kazakhstan						
3 110	Government of Kazakhstan USD	5.125	21-Jul-2025	4 236	4 501	
5 245	Government of Kazakhstan USD	4.875	14-Oct-2044	6 839	7 156	
1 450	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	1 881	1 932	
				12 956	13 589	0.1
Luxembourg						
1 350	Altice Financing S.A. USD	6.625	15-Feb-2023	1 724	1 774	
3 390	ArcelorMittal USD	8.000	15-Oct-2039	5 135	4 890	
2 350	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	3 117	3 008	
2 400	INEOS Group Holdings S.A. USD	5.625	01-Aug-2024	3 138	2 913	
				13 114	12 585	0.1
Malaysia						
2 423	1MDB Energy Ltd. USD	5.990	11-May-2022	3 294	3 355	
400	Petronas Capital Ltd. USD	4.500	18-Mar-2045	515	550	
				3 809	3 905	—
Mexico						
2 650	Banco Nacional de Comercio Exterior SNC USD	3.800	11-Aug-2026	3 379	3 464	
875	Cemex S.A.B. de C.V. USD	5.700	11-Jan-2025	1 175	1 148	
1 470	Comision Federal de Electricidad USD	4.875	26-May-2021	1 836	2 027	
800	Mexico City Airport Trust USD	5.500	31-Jul-2047	932	965	
4 545	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	5 879	5 448	
4 400	Petroleos Mexicanos USD	5.375	13-Mar-2022	5 956	5 914	
3 747	United Mexican States USD	5.750	12-Oct-2110	4 824	4 829	
				23 981	23 795	0.1
Morocco						
3 950	OCP S.A. USD	5.625	25-Apr-2024	5 312	5 539	
510	OCP S.A. USD	6.875	25-Apr-2044	694	726	
				6 006	6 265	—
New Zealand						
2 300	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	2 971	2 995	
				2 971	2 995	—
Oman						
3 320	Oman Government USD	4.750	15-Jun-2026	4 247	3 935	
				4 247	3 935	—
Panama						
3 270	Republic of Panama USD	7.125	29-Jan-2026	4 916	5 272	
4 625	Republic of Panama USD	6.700	26-Jan-2036	7 370	7 735	
				12 286	13 007	0.1
Paraguay						
3 735	Republic of Paraguay USD	4.625	25-Jan-2023	4 946	5 145	
2 815	Republic of Paraguay USD	6.100	11-Aug-2044	3 839	3 993	
				8 785	9 138	0.1
Peru						
4 225	Corp Financiera de Desarrollo S.A. USD	4.750	08-Feb-2022	5 689	5 847	
6 732	Peruvian Government USD	8.750	21-Nov-2033	13 229	13 612	
				18 918	19 459	0.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Philippines						
4 240	Republic of Philippines USD	7.750	14-Jan-2031	\$ 7 549	\$ 7 817	
450	Republic of Philippines USD	3.700	01-Mar-2041	531	584	
				8 080	8 401	0.1
Poland						
3 185	Government of Poland USD	3.250	06-Apr-2026	4 073	4 276	
				4 073	4 276	—
Qatar						
2 300	State of Qatar USD	2.375	02-Jun-2021	2 911	3 073	
2 560	State of Qatar USD	6.400	20-Jan-2040	4 154	4 388	
				7 065	7 461	—
Romania						
4 244	Romanian Government USD	6.750	07-Feb-2022	6 208	6 244	
1 394	Romanian Government USD	6.125	22-Jan-2044	2 170	2 125	
				8 378	8 369	0.1
Russia						
950	Gazprom PAO USD	4.950	19-Jul-2022	1 232	1 311	
3 255	Gazprom PAO USD	7.288	16-Aug-2037	4 838	4 968	
4 300	Russian Foreign Bond - Eurobond USD	4.875	16-Sep-2023	5 666	5 997	
5 282	Russian Foreign Bond - Eurobond USD	4.750	27-May-2026	7 004	7 169	
				18 740	19 445	0.1
Saudi Arabia						
2 950	Saudi Government USD	4.500	17-Apr-2030	3 866	4 021	
				3 866	4 021	—
Senegal						
325	Senegal Government USD	6.750	13-Mar-2048	372	370	
				372	370	—
Serbia						
4 775	Republic of Serbia USD	7.250	28-Sep-2021	6 929	7 034	
				6 929	7 034	—
South Africa						
590	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	763	737	
4 655	Republic of South Africa USD	4.665	17-Jan-2024	5 967	6 231	
1 400	Republic of South Africa USD	4.850	27-Sep-2027	1 731	1 789	
3 200	Republic of South Africa USD	6.250	08-Mar-2041	4 382	4 262	
375	Republic of South Africa USD	5.650	27-Sep-2047	436	458	
1 685	Transnet SOC Ltd. USD	4.000	26-Jul-2022	2 128	2 161	
				15 407	15 638	0.1
Supranational						
5 000	Inter-American Development Bank CAD	4.400	26-Jan-2026	4 986	5 541	
				4 986	5 541	—
Turkey						
2 870	Export Credit Bank of Turkey USD	5.375	08-Feb-2021	3 684	3 797	
2 450	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	2 976	3 059	
775	Republic of Turkey USD	7.375	05-Feb-2025	1 102	1 096	
725	Republic of Turkey USD	6.000	25-Mar-2027	852	936	
6 875	Republic of Turkey USD	4.875	16-Apr-2043	7 066	7 004	
				15 680	15 892	0.1
United Arab Emirates						
900	Emirate of Dubai USD	7.750	05-Oct-2020	1 202	1 321	
2 000	Emirate of Dubai USD	5.250	30-Jan-2043	2 590	2 733	
				3 792	4 054	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Kingdom						
50	Ashtead Capital Inc. USD	5.250	01-Aug-2026	\$ 66	\$ 66	
3 900	Aviva Plc. CAD	4.500	10-May-2021	3 886	3 996	
16 000	HSBC Holdings Plc. CAD	3.196	05-Dec-2023	16 000	15 812	
				19 952	19 874	0.1
United States						
4 350	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	5 637	4 573	
2 915	Alcoa Nederland Holding BV	6.750	30-Sep-2024	4 009	4 059	
350	Alcoa Nederland Holding BV	7.000	30-Sep-2026	484	490	
1 200	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	2 124	1 953	
1 100	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	1 323	1 291	
900	AMC Entertainment Holdings Inc.	6.125	15-May-2027	1 095	1 057	
695	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	863	867	
4 030	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	5 141	4 945	
2 900	Avis Budget Car Rental LLC	5.250	15-Mar-2025	3 609	3 439	
2 825	Ball Corp.	4.875	15-Mar-2026	3 611	3 770	
2 900	Berry Global Inc.	4.500	15-Feb-2026	3 547	3 632	
2 200	Blue Racer Midstream LLC	6.625	15-Jul-2026	2 896	2 808	
3 060	Boyd Gaming Corp.	6.375	01-Apr-2026	4 109	4 057	
2 925	Builders FirstSource Inc.	5.625	01-Sep-2024	3 853	3 719	
1 800	Calpine Corp.	5.250	01-Jun-2026	2 216	2 252	
5 490	CCO Holdings LLC	5.750	15-Feb-2026	7 277	7 364	
3 225	Cedar Fair LP	5.375	15-Apr-2027	4 363	4 177	
2 000	CenturyLink Inc.	7.500	01-Apr-2024	2 552	2 642	
2 500	Charter Communications Operating LLC	4.464	23-Jul-2022	3 177	3 448	
2 650	Cinemark USA Inc.	4.875	01-Jun-2023	3 467	3 482	
1 800	CIT Group Inc.	5.000	01-Aug-2023	2 387	2 414	
280	CIT Group Inc.	5.250	07-Mar-2025	368	375	
2 175	Consol Energy Inc.	5.875	15-Apr-2022	2 846	2 858	
4 535	CSC Holdings LLC	5.500	15-Apr-2027	5 993	5 773	
400	Dana Inc.	5.500	15-Dec-2024	529	511	
7 000	Diamond 1 Finance Corp.	6.020	15-Jun-2026	9 118	9 613	
2 475	Diamond 1 Finance Corp.	8.100	15-Jul-2036	3 257	3 681	
3 500	Enbridge Energy Partners LP	5.200	15-Mar-2020	4 535	4 882	
5 500	Enbridge Energy Partners LP	7.500	15-Apr-2038	7 201	9 492	
1 915	Equinix Inc.	5.875	15-Jan-2026	2 572	2 641	
15 545	Everest Reinsurance Holdings Inc.	6.600	15-May-2037	18 351	18 728	
2 000	Frontier Communications Corp.	11.000	15-Sep-2025	2 664	1 713	
3 300	Hanesbrands Inc.	4.875	15-May-2026	4 286	4 083	
4 100	HCA Inc.	5.875	15-Feb-2026	5 516	5 583	
2 250	HCA Inc.	4.500	15-Feb-2027	2 850	2 910	
3 375	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	4 253	4 435	
2 070	Ingles Markets Inc.	5.750	15-Jun-2023	2 329	2 805	
1 950	International Game Technology Plc.	6.500	15-Feb-2025	2 837	2 636	
2 080	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	2 668	2 740	
5 225	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	(112)	75	
625	Lennar Corp.	4.750	30-May-2025	774	803	
5 125	Lennar Corp.	5.250	01-Jun-2026	6 689	6 621	
6 500	Lincoln National Corp.	6.050	20-Apr-2067	7 148	6 939	
1 000	MGM Resorts International	6.000	15-Mar-2023	1 342	1 375	
2 875	Mobile Mini Inc.	5.875	01-Jul-2024	3 777	3 856	
4 000	MPLX LP	4.875	01-Dec-2024	4 626	5 565	
700	MPLX LP	4.875	01-Jun-2025	746	965	
2 550	Murphy Oil Corp.	5.750	15-Aug-2025	3 279	3 262	
1 750	NCR Corp.	5.000	15-Jul-2022	2 258	2 264	
2 125	New Albertson's Inc.	6.625	15-Jun-2024	2 744	2 705	
1 950	NRG Energy Inc.	6.250	01-May-2024	2 567	2 712	
2 050	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	2 822	2 785	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 960	Parsley Energy LLC	6.250	01-Jun-2024	\$ 2 654	\$ 2 602	
550	Parsley Energy LLC	5.375	15-Jan-2025	715	695	
2 995	Post Holdings Inc.	5.750	01-Mar-2027	3 754	3 854	
700	PulteGroup Inc.	5.500	01-Mar-2026	902	923	
2 550	PulteGroup Inc.	5.000	15-Jan-2027	3 134	3 164	
1 200	Qwest Corp.	6.750	01-Dec-2021	1 202	1 679	
3 425	Rite Aid Corp.	6.125	01-Apr-2023	4 164	3 711	
2 900	SemGroup Corp.	6.375	15-Mar-2025	3 668	3 672	
2 625	Six Flags Entertainment Corp.	5.500	15-Apr-2027	3 403	3 387	
2 200	SM Energy Co.	6.750	15-Sep-2026	2 757	2 703	
125	Sonic Automotive Inc.	5.000	15-May-2023	156	156	
2 500	Sonic Automotive Inc.	6.125	15-Mar-2027	3 232	3 003	
5 950	Sprint Capital Corp.	6.875	15-Nov-2028	6 955	7 696	
500	Sprint Corp.	7.875	15-Sep-2023	456	702	
700	Sprint Nextel Corp.	6.000	15-Nov-2022	935	940	
3 750	T-Mobile USA Inc.	4.750	01-Feb-2028	4 673	4 652	
500	Targa Resources Partners LP	5.875	15-Apr-2026	636	667	
975	Targa Resources Partners LP	5.375	01-Feb-2027	1 196	1 255	
1 985	Targa Resources Partners LP	5.000	15-Jan-2028	2 534	2 459	
3 030	Tempur Sealy International Inc.	5.500	15-Jun-2026	3 869	3 795	
2 525	Tenet Healthcare Corp.	4.625	15-Jul-2024	3 144	3 219	
1 610	The AES Corp.	4.500	15-Mar-2023	2 069	2 151	
700	The AES Corp.	4.875	15-May-2023	913	937	
620	The EW Scripps Co.	5.125	15-May-2025	796	779	
3 125	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	4 022	3 856	
210	Toll Brothers Finance Corp.	4.875	15-Nov-2025	275	269	
1 765	Toll Brothers Finance Corp.	4.875	15-Mar-2027	2 291	2 193	
2 375	Toll Brothers Finance Corp.	4.350	15-Feb-2028	2 773	2 788	
2 975	Unit Corp.	6.625	15-May-2021	3 775	3 716	
2 675	United Rentals North America Inc.	5.875	15-Sep-2026	3 490	3 456	
3 150	Universal Health Services Inc.	5.000	01-Jun-2026	4 151	4 193	
2 605	Valvoline Inc.	5.500	15-Jul-2024	3 498	3 485	
2 570	Vistra Operations Co. LLC	5.500	01-Sep-2026	3 367	3 390	
4 400	Western Digital Corp.	4.750	15-Feb-2026	5 464	5 233	
2 800	WPX Energy Inc.	6.000	15-Jan-2022	3 662	3 737	
2 200	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	2 798	2 647	
				286 056	289 589	1.5
Uruguay						
2 675	Republic of Uruguay USD	4.500	14-Aug-2024	3 522	3 742	
2 525	Republic of Uruguay USD	7.625	21-Mar-2036	4 239	4 512	
3 250	Republic of Uruguay USD	5.100	18-Jun-2050	4 354	4 376	
				12 115	12 630	0.1
Vietnam						
3 990	Republic of Vietnam USD	4.800	19-Nov-2024	5 245	5 509	
				5 245	5 509	—
TOTAL FOREIGN BONDS				657 729	669 562	3.3
TOTAL BONDS				18 142 456	18 272 444	91.9
SHORT-TERM INVESTMENTS†				792 046	792 046	4.0
TOTAL INVESTMENTS				19 672 947	19 793 639	99.6
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)				—	12 063	0.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	25 207	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(39 680)	(0.2)
TOTAL PORTFOLIO				\$19 672 947	19 791 229	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					85 945	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$19 877 174	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
1 040 Canadian 10-Year Bond Future, March 2019		
Contracts at CAD 132.56 per contract	\$ 137 862	\$ 4 379
1 942 United States 10-Year Note Future, March 2019		
Contracts at USD 119.12 per contract	307 154	7 684
TOTAL FUTURES	\$ 445 016	\$ 12 063

\$10 250 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 1 575 Sold USD 1 153 @ 1.3657	03-Jan-2019	\$ 1
Bought USD 1 104 Sold CAD 1 444 @ 0.7644	04-Jan-2019	63
Bought USD 9 893 Sold CAD 12 654 @ 0.7818	07-Jan-2019	850
Bought PHP 422 654 Sold CAD 9 962 @ 42.4250	09-Jan-2019	1 012
Bought USD 600 Sold CAD 791 @ 0.7589	14-Jan-2019	28
Bought USD 1 500 Sold CAD 2 037 @ 0.7363	14-Jan-2019	10
Bought USD 25 320 Sold CAD 32 330 @ 0.7832	15-Jan-2019	2 225
Bought BRL 57 362 Sold CAD 18 778 @ 3.0547	16-Jan-2019	1 402
Bought BRL 50 194 Sold CAD 16 446 @ 3.0520	16-Jan-2019	1 213
Bought CAD 10 991 Sold BRL 31 227 @ 0.3520	16-Jan-2019	5
Bought USD 3 434 Sold CAD 4 595 @ 0.7473	16-Jan-2019	91
Bought USD 36 521 Sold CAD 47 552 @ 0.7680	18-Jan-2019	2 284
Bought EUR 35 243 Sold CAD 54 271 @ 0.6494	23-Jan-2019	927
Bought USD 1 305 Sold CAD 1 723 @ 0.7574	23-Jan-2019	57
Bought USD 2 500 Sold CAD 3 270 @ 0.7646	24-Jan-2019	141
Bought USD 1 870 Sold CAD 2 441 @ 0.7661	24-Jan-2019	110
Bought USD 675 Sold CAD 892 @ 0.7568	24-Jan-2019	29
Bought USD 3 500 Sold CAD 4 645 @ 0.7535	24-Jan-2019	130
Bought USD 169 Sold CAD 224 @ 0.7547	24-Jan-2019	7
Bought EUR 18 444 Sold CAD 27 775 @ 0.6641	28-Jan-2019	1 122
Bought GBP 4 008 Sold CAD 6 799 @ 0.5895	28-Jan-2019	179
Bought JPY 2 706 918 Sold CAD 31 853 @ 84.9811	28-Jan-2019	1 911
Bought USD 24 579 Sold CAD 32 449 @ 0.7575	28-Jan-2019	1 081
Bought USD 29 162 Sold CAD 37 866 @ 0.7701	29-Jan-2019	1 915
Bought USD 31 706 Sold CAD 41 170 @ 0.7701	29-Jan-2019	2 081
Bought MXN 299 271 Sold CAD 19 575 @ 15.2885	31-Jan-2019	1 093
Bought USD 7 585 Sold CAD 9 909 @ 0.7655	31-Jan-2019	437
Bought USD 4 375 Sold CAD 5 732 @ 0.7632	04-Feb-2019	235
Bought USD 315 Sold CAD 421 @ 0.7474	05-Feb-2019	8
Bought USD 20 349 Sold CAD 26 587 @ 0.7654	06-Feb-2019	1 167
Bought USD 6 500 Sold CAD 8 520 @ 0.7629	07-Feb-2019	345
Bought USD 22 136 Sold CAD 29 023 @ 0.7627	08-Feb-2019	1 167
Bought SEK 61 604 Sold CAD 9 033 @ 6.8201	11-Feb-2019	479
Bought USD 160 Sold CAD 211 @ 0.7594	12-Feb-2019	8

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 781 Sold CAD 1 028 @ 0.7594	12-Feb-2019	\$ 37
Bought USD 4 756 Sold CAD 6 357 @ 0.7482	12-Feb-2019	129
Bought CAD 9 699 Sold RUB 491 706 @ 0.0197	25-Feb-2019	150
Bought NOK 125 554 Sold CAD 19 393 @ 6.4743	27-Feb-2019	455
Bought USD 1 355 Sold CAD 1 846 @ 0.7341	01-Mar-2019	2
Bought SEK 72 687 Sold CAD 10 894 @ 6.6724	11-Mar-2019	346
Bought PLN 25 751 Sold CAD 9 125 @ 2.8219	19-Mar-2019	269
Bought USD 236 Sold CAD 316 @ 0.7478	19-Mar-2019	6
		\$ 25 207

Contracts	Maturity Date	Unrealized Loss
Bought CAD 7 455 Sold USD 5 776 @ 1.2906	04-Jan-2019	\$ (431)
Bought CAD 25 465 Sold USD 18 816 @ 1.3534	07-Jan-2019	(219)
Bought CAD 10 354 Sold PHP 422 654 @ 0.0245	09-Jan-2019	(619)
Bought CAD 7 124 Sold USD 5 400 @ 1.3192	11-Jan-2019	(247)
Bought CAD 29 266 Sold USD 22 915 @ 1.2771	14-Jan-2019	(2 008)
Bought CAD 519 Sold USD 400 @ 1.2987	14-Jan-2019	(26)
Bought USD 1 153 Sold CAD 1 574 @ 0.7323	14-Jan-2019	(1)
Bought CAD 49 048 Sold USD 37 259 @ 1.3164	15-Jan-2019	(1 800)
Bought CAD 1 752 Sold USD 1 350 @ 1.2980	16-Jan-2019	(90)
Bought CAD 1 243 Sold USD 950 @ 1.3086	16-Jan-2019	(53)
Bought CAD 40 850 Sold USD 30 198 @ 1.3527	18-Jan-2019	(358)
Bought CAD 10 082 Sold USD 7 746 @ 1.3016	22-Jan-2019	(487)
Bought CAD 30 096 Sold EUR 19 900 @ 1.5124	23-Jan-2019	(1 070)
Bought CAD 4 006 Sold USD 3 000 @ 1.3353	23-Jan-2019	(87)
Bought CAD 11 456 Sold USD 8 776 @ 1.3054	24-Jan-2019	(517)
Bought CAD 562 Sold USD 433 @ 1.2981	25-Jan-2019	(29)
Bought CAD 485 Sold EUR 323 @ 1.5025	25-Jan-2019	(21)
Bought CAD 10 078 Sold USD 7 815 @ 1.2895	28-Jan-2019	(584)
Bought CAD 459 Sold GBP 268 @ 1.7143	28-Jan-2019	(7)
Bought CAD 11 826 Sold USD 9 050 @ 1.3068	28-Jan-2019	(519)
Bought CAD 24 026 Sold USD 18 327 @ 1.3110	28-Jan-2019	(975)
Bought CAD 8 027 Sold USD 6 011 @ 1.3355	28-Jan-2019	(173)
Bought CAD 7 067 Sold EUR 4 648 @ 1.5204	28-Jan-2019	(215)
Bought CAD 8 195 Sold JPY 690 895 @ 0.0119	28-Jan-2019	(423)
Bought CAD 1 576 Sold GBP 925 @ 1.7043	28-Jan-2019	(34)
Bought CAD 670 Sold USD 500 @ 1.3400	28-Jan-2019	(12)
Bought CAD 8 540 Sold USD 6 326 @ 1.3499	28-Jan-2019	(90)
Bought CAD 7 322 Sold EUR 4 715 @ 1.5528	28-Jan-2019	(66)
Bought CAD 8 378 Sold JPY 687 204 @ 0.0122	28-Jan-2019	(194)
Bought CAD 1 772 Sold GBP 1 033 @ 1.7156	28-Jan-2019	(26)
Bought CAD 30 496 Sold USD 23 489 @ 1.2983	29-Jan-2019	(1 547)
Bought CAD 1 088 Sold USD 832 @ 1.3077	29-Jan-2019	(47)
Bought CAD 16 371 Sold USD 12 648 @ 1.2943	30-Jan-2019	(882)
Bought CAD 42 079 Sold USD 32 180 @ 1.3076	31-Jan-2019	(1 816)
Bought CAD 19 903 Sold MXN 299 271 @ 0.0665	31-Jan-2019	(765)
Bought CAD 391 Sold USD 300 @ 1.3048	01-Feb-2019	(18)
Bought CAD 20 720 Sold USD 15 871 @ 1.3055	04-Feb-2019	(927)
Bought CAD 37 933 Sold USD 28 961 @ 1.3098	05-Feb-2019	(1 567)
Bought CAD 56 432 Sold USD 42 961 @ 1.3136	06-Feb-2019	(2 162)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 53 067 Sold USD 39 712 @ 1.3363	06-Feb-2019	\$ (1 096)
Bought CAD 34 115 Sold USD 26 033 @ 1.3104	07-Feb-2019	(1 391)
Bought CAD 474 Sold USD 361 @ 1.3137	08-Feb-2019	(18)
Bought CAD 364 Sold EUR 242 @ 1.5047	08-Feb-2019	(15)
Bought CAD 1 307 Sold USD 1 000 @ 1.3065	11-Feb-2019	(57)
Bought CAD 4 559 Sold USD 3 419 @ 1.3334	11-Feb-2019	(104)
Bought CAD 851 Sold USD 637 @ 1.3359	11-Feb-2019	(18)
Bought CAD 9 296 Sold SEK 61 604 @ 0.1509	11-Feb-2019	(216)
Bought CAD 7 129 Sold USD 5 447 @ 1.3088	12-Feb-2019	(299)
Bought CAD 3 927 Sold USD 3 000 @ 1.3089	12-Feb-2019	(165)
Bought CAD 21 593 Sold EUR 14 200 @ 1.5206	13-Feb-2019	(676)
Bought CAD 15 086 Sold USD 11 528 @ 1.3086	14-Feb-2019	(634)
Bought CAD 21 374 Sold USD 16 000 @ 1.3358	19-Feb-2019	(443)
Bought CAD 6 364 Sold USD 4 763 @ 1.3361	19-Feb-2019	(131)
Bought CAD 31 893 Sold USD 24 065 @ 1.3253	20-Feb-2019	(919)
Bought CAD 44 385 Sold USD 33 811 @ 1.3127	21-Feb-2019	(1 715)
Bought CAD 62 210 Sold USD 47 290 @ 1.3155	22-Feb-2019	(2 267)
Bought CAD 3 170 Sold USD 2 408 @ 1.3163	25-Feb-2019	(113)
Bought CAD 401 Sold USD 300 @ 1.3373	25-Feb-2019	(8)
Bought RUB 491 706 Sold CAD 9 737 @ 50.5000	25-Feb-2019	(188)
Bought CAD 2 253 Sold USD 1 700 @ 1.3253	26-Feb-2019	(65)
Bought CAD 3 367 Sold USD 2 551 @ 1.3198	27-Feb-2019	(111)
Bought CAD 1 189 Sold USD 899 @ 1.3221	01-Mar-2019	(37)
Bought CAD 11 335 Sold GBP 6 688 @ 1.6948	01-Mar-2019	(320)
Bought CAD 659 Sold USD 500 @ 1.3181	01-Mar-2019	(23)
Bought CAD 272 Sold USD 205 @ 1.3260	04-Mar-2019	(8)
Bought CAD 22 934 Sold USD 17 282 @ 1.3271	07-Mar-2019	(622)
Bought CAD 51 509 Sold USD 39 091 @ 1.3177	08-Mar-2019	(1 774)
Bought CAD 34 623 Sold USD 26 080 @ 1.3276	11-Mar-2019	(923)
Bought CAD 10 898 Sold SEK 72 687 @ 0.1499	11-Mar-2019	(343)
Bought CAD 14 099 Sold USD 10 678 @ 1.3204	12-Mar-2019	(454)
Bought CAD 884 Sold EUR 578 @ 1.5301	14-Mar-2019	(24)
Bought CAD 2 202 Sold USD 1 650 @ 1.3348	14-Mar-2019	(46)
Bought CAD 7 632 Sold USD 5 675 @ 1.3449	15-Mar-2019	(102)
Bought CAD 446 Sold GBP 263 @ 1.6941	18-Mar-2019	(13)
Bought CAD 14 160 Sold USD 10 585 @ 1.3378	19-Mar-2019	(265)
Bought CAD 9 190 Sold PLN 25 751 @ 0.3569	19-Mar-2019	(204)
Bought CAD 538 Sold USD 400 @ 1.3444	19-Mar-2019	(7)
Bought CAD 57 401 Sold USD 43 101 @ 1.3318	20-Mar-2019	(1 333)
Bought CAD 1 035 Sold USD 772 @ 1.3406	21-Mar-2019	(17)
Bought CAD 11 375 Sold USD 8 513 @ 1.3362	22-Mar-2019	(226)
Bought CAD 31 268 Sold USD 23 264 @ 1.3441	25-Mar-2019	(431)
Bought CAD 72 122 Sold USD 53 478 @ 1.3486	25-Mar-2019	(747)
		\$ (39 680)
TOTAL FOREIGN EXCHANGE		\$ (14 473)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.52% to 2.28% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 19 793 639	\$ 18 446 599
Cash	3 425	1 881
Due from investment dealers	185	–
Subscriptions receivable	4 563	10 944
Unrealized gain on futures contracts	12 063	1 022
Unrealized gain on foreign exchange contracts	25 207	15 364
Dividends receivable, interest accrued and other assets	112 463	100 052
TOTAL ASSETS	19 951 545	18 575 862
LIABILITIES		
Due to investment dealers	165	341
Redemptions payable	21 812	3 054
Unrealized loss on futures contracts	–	1 860
Futures contracts margin payable	11 079	9
Unrealized loss on foreign exchange contracts	39 680	12 681
Distributions payable	21	–
Accounts payable and accrued expenses	1 614	1 774
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	74 371	19 719
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 19 877 174	\$ 18 556 143
Investments at cost	\$ 19 672 947	\$ 18 026 323
NAV		
SERIES A	\$ 1 055 386	\$ 1 280 465
ADVISOR SERIES	\$ 128 789	\$ 106 026
SERIES D	\$ 78 644	\$ 77 521
SERIES F	\$ 288 332	\$ 256 615
SERIES O	\$ 18 326 023	\$ 16 835 516
NAV PER UNIT		
SERIES A	\$ 6.45	\$ 6.58
ADVISOR SERIES	\$ 6.59	\$ 6.72
SERIES D	\$ 6.49	\$ 6.62
SERIES F	\$ 6.66	\$ 6.79
SERIES O	\$ 6.73	\$ 6.86

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 9 886	\$ 12 482
Interest for distribution purposes	596 062	526 191
Income from investment trusts	16 361	28 033
Derivative income	(4 310)	24 208
Net realized gain (loss) on investments	(49 391)	26 521
Change in unrealized gain (loss) on investments	(316 740)	(34 234)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	251 868	583 201
Securities lending revenue (see note 7 in the generic notes)	2 395	1 809
Net gain (loss) on foreign cash balances	11	1 444
TOTAL OTHER INCOME (LOSS)	2 406	3 253
TOTAL INCOME (LOSS)	254 274	586 454
EXPENSES (see notes – Fund Specific Information)		
Management fees	12 969	14 421
Administration fees	4 967	4 681
Independent Review Committee costs	2	3
GST/HST	1 849	1 974
Transaction costs	196	140
Withholding tax	128	528
TOTAL EXPENSES	20 111	21 747
INCREASE (DECREASE) IN NAV	\$ 234 163	\$ 564 707
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (929)	\$ 31 507
ADVISOR SERIES	\$ 408	\$ 2 281
SERIES D	\$ 418	\$ 1 958
SERIES F	\$ 2 380	\$ 5 523
SERIES O	\$ 231 886	\$ 523 438
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.01)	\$ 0.15
ADVISOR SERIES	\$ 0.02	\$ 0.16
SERIES D	\$ 0.04	\$ 0.17
SERIES F	\$ 0.05	\$ 0.19
SERIES O	\$ 0.09	\$ 0.23



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 234 163	\$ 564 707
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	(151)
Non-cash distributions from underlying funds	(15 502)	(28 033)
Net realized loss (gain) on investments	49 626	(26 392)
Change in unrealized loss (gain) on investments	316 740	34 234
(Increase) decrease in accrued receivables	(23 452)	519
Increase (decrease) in accrued payables	(2 020)	(30)
(Increase) decrease in margin accounts	11 070	1 791
Cost of investments purchased	(12 119 421)	(13 409 898)
Proceeds from sale and maturity of investments	10 438 312	12 126 598
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 110 484)	(736 655)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	3 258 055	2 893 004
Cash paid on redemption of redeemable units	(2 064 606)	(2 078 452)
Distributions paid to holders of redeemable units	(81 421)	(78 051)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 1 112 028	\$ 736 501
Net increase (decrease) in cash for the period	1 544	(154)
Cash (bank overdraft), beginning of period	1 881	2 035
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 3 425	\$ 1 881
Interest received (paid)	\$ 583 836	\$ 526 786
Dividends received, net of withholding taxes	\$ 10 128	\$ 12 281

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 280 465	\$ 1 437 109	\$ 106 026	\$ 91 942	\$ 77 521	\$ 74 904	\$ 256 615	\$ 164 460
INCREASE (DECREASE) IN NAV	(929)	31 507	408	2 281	418	1 958	2 380	5 523
Early redemption fees	1	3	—	—	2	—	1	—
Proceeds from redeemable units issued	91 798	136 259	54 402	48 051	22 555	23 555	209 191	168 953
Reinvestments of distributions to holders of redeemable units	23 417	29 004	2 363	2 061	1 881	1 904	4 936	3 080
Redemption of redeemable units	(315 479)	(323 829)	(31 903)	(36 102)	(21 803)	(22 839)	(176 731)	(79 454)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(200 263)	(158 563)	24 862	14 010	2 635	2 620	37 397	92 579
Distributions from net income	(23 887)	(29 005)	(2 507)	(2 160)	(1 930)	(1 926)	(8 060)	(5 835)
Distributions from net gains	—	(583)	—	(47)	—	(35)	—	(112)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(23 887)	(29 588)	(2 507)	(2 207)	(1 930)	(1 961)	(8 060)	(5 947)
NET INCREASE (DECREASE) IN NAV	(225 079)	(156 644)	22 763	14 084	1 123	2 617	31 717	92 155
NAV AT END OF PERIOD	\$ 1 055 386	\$ 1 280 465	\$ 128 789	\$ 106 026	\$ 78 644	\$ 77 521	\$ 288 332	\$ 256 615

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 16 835 516	\$ 15 482 201	\$ 18 556 143	\$ 17 250 616
INCREASE (DECREASE) IN NAV	231 886	523 438	234 163	564 707
Early redemption fees	—	—	4	3
Proceeds from redeemable units issued	2 965 767	2 599 395	3 343 713	2 976 213
Reinvestments of distributions to holders of redeemable units	499 175	432 061	531 772	468 110
Redemption of redeemable units	(1 629 491)	(1 695 121)	(2 175 407)	(2 157 345)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 835 451	1 336 335	1 700 082	1 286 981
Distributions from net income	(576 830)	(499 189)	(613 214)	(538 115)
Distributions from net gains	—	(7 269)	—	(8 046)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(576 830)	(506 458)	(613 214)	(546 161)
NET INCREASE (DECREASE) IN NAV	1 490 507	1 353 315	1 321 031	1 305 527
NAV AT END OF PERIOD	\$ 18 326 023	\$ 16 835 516	\$ 19 877 174	\$ 18 556 143

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	12.0	16.0
AA	55.3	49.1
A	13.0	16.0
BBB	16.7	15.4
BB	1.7	1.8
B	1.1	1.5
CCC	0.1	0.1
Unrated	0.1	0.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Provincial/Municipal Bonds	40.8	39.6
Corporate Bonds	38.4	37.4
Federal Bonds	9.4	13.2
Foreign Bonds	3.3	3.5
Income Funds	2.9	3.1
Cash/Other	5.2	3.2
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	1.9	1.7
1 – 5 years	36.8	35.6
5 – 10 years	28.2	27.7
> 10 years	33.1	35.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.5% (December 31, 2017 – 7.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	150 908	–	–	150 908
Underlying funds	578 241	–	–	578 241
Fixed-income				
and debt securities	–	18 272 444	–	18 272 444
Short-term investments	–	792 046	–	792 046
Derivatives – assets	12 063	25 207	–	37 270
Derivatives – liabilities	–	(39 680)	–	(39 680)
Total financial instruments	741 212	19 050 017	–	19 791 229
% of total portfolio	3.7	96.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	159 027	–	–	159 027
Underlying funds	585 034	–	–	585 034
Fixed-income				
and debt securities	–	17 381 695	–	17 381 695
Short-term investments	–	320 843	–	320 843
Derivatives – assets	1 022	15 364	–	16 386
Derivatives – liabilities	(1 860)	(12 681)	–	(14 541)
Total financial instruments	743 223	17 705 221	–	18 448 444
% of total portfolio	4.0	96.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.10%
Advisor Series	0.90%	0.05%
Series D	0.55%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	1 307	1 272
Value of all units	9	9

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets				
Corporate Bond Fund	1.1	31.3	1.1	23.5
RBC Emerging Markets				
Foreign Exchange Fund	1.8	34.4	1.7	41.2

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital				
High Yield Bond SPDR Fund	–	–	0.2	0.2
iShares iBoxx \$ High Yield				
Corporate Bond Fund	–	–	0.2	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	62 330
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	194 643	218 656
Issued number of units	14 192	20 571
Reinvested number of units	3 616	4 401
Redeemed number of units	(48 800)	(48 985)
Ending number of units	163 651	194 643
Advisor Series		
Opening units	15 770	13 692
Issued number of units	8 235	7 102
Reinvested number of units	357	306
Redeemed number of units	(4 828)	(5 330)
Ending number of units	19 534	15 770
Series D		
Opening units	11 707	11 328
Issued number of units	3 463	3 529
Reinvested number of units	289	287
Redeemed number of units	(3 348)	(3 437)
Ending number of units	12 111	11 707
Series F		
Opening units	37 792	24 249
Issued number of units	31 335	24 720
Reinvested number of units	739	453
Redeemed number of units	(26 547)	(11 630)
Ending number of units	43 319	37 792
Series O		
Opening units	2 454 134	2 260 060
Issued number of units	438 804	376 970
Reinvested number of units	73 960	62 912
Redeemed number of units	(242 353)	(245 808)
Ending number of units	2 724 545	2 454 134



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	196	100	140	100
Related-party brokerage commissions*	24	12	4	3
Commission arrangements†	–	–	–	1

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	3 560 316		2 603 828	
Fair value of collateral received	3 640 819		2 658 078	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3 367	100	2 610	100
RBC IS (paid)	(841)	(25)	(699)	(27)
Tax withheld	(131)	(4)	(102)	(4)
Fund revenue	2 395	71	1 809	69

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018		December 31 2017	
RBC Conservative Bond Pool	–		–	
RBC Conservative Growth & Income Fund	0.2		0.2	
RBC Core Bond Pool	0.2		–	
RBC Core Plus Bond Pool	0.3		–	
RBC Managed Payout Solution	3.5		4.2	
RBC Managed Payout Solution – Enhanced	2.9		3.3	
RBC Managed Payout Solution – Enhanced Plus	1.7		2.1	
RBC Monthly Income Bond Fund	1.0		1.4	
RBC Retirement 2020 Portfolio	–		–	
RBC Retirement 2025 Portfolio	–		–	

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
RBC Retirement 2030 Portfolio	–	–
RBC Retirement 2035 Portfolio	–	–
RBC Retirement 2040 Portfolio	–	–
RBC Retirement 2045 Portfolio	–	–
RBC Retirement 2050 Portfolio	–	–
RBC Retirement Income Solution	–	–
RBC Select Balanced Portfolio	30.3	27.3
RBC Select Choices Balanced Portfolio	0.1	0.2
RBC Select Choices Conservative Portfolio	0.1	0.1
RBC Select Choices Growth Portfolio	0.1	0.2
RBC Select Conservative Portfolio	23.4	22.3
RBC Select Growth Portfolio	4.7	4.4
RBC Select Very Conservative Portfolio	4.0	4.3
RBC Target 2020 Education Fund	0.3	0.7
RBC Target 2025 Education Fund	2.3	2.2
RBC Target 2030 Education Fund	1.1	0.7
RBC Target 2035 Education Fund	–	–
Total	76.2	73.6

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	37 270	(39 680)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	37 270	(39 680)
Related amounts not set-off	(18 756)	18 756
Collateral (received) pledged	(15 137)	5 640
Net amount	3 377	(15 284)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	16 386	(14 541)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	16 386	(14 541)
Related amounts not set-off	(8 713)	8 713
Collateral (received) pledged	(2 636)	2 199
Net amount	5 037	(3 629)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC VISION BOND FUND

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
113	Access Justice Durham Ltd.	5.015	31-Aug-2039	\$ 125	\$ 128	
120	Access Prairies Partnership	4.232	01-Mar-2048	120	123	
299	Aéroports de Montréal	6.950	16-Apr-2032	406	381	
275	Aéroports de Montréal	6.550	11-Oct-2033	382	373	
160	Aéroports de Montréal	5.670	16-Oct-2037	221	208	
20	Aéroports de Montréal	3.919	26-Sep-2042	21	21	
90	Aéroports de Montréal	3.918	12-Jun-2045	102	95	
365	Aéroports de Montréal	3.360	24-Apr-2047	375	351	
590	Alberta Powerline LP	3.340	01-Jun-2032	590	588	
590	Alberta Powerline LP	3.351	01-Sep-2032	590	589	
270	Alectra Inc.	4.521	29-Apr-2021	270	282	
2 000	Alectra Inc.	3.033	25-Jul-2022	2 002	2 025	
251	Alliance Pipeline LP	7.217	31-Dec-2025	284	290	
1 265	AltaLink Investments LP	3.265	05-Jun-2020	1 281	1 275	
415	AltaLink LP	3.621	17-Sep-2020	424	422	
990	Bank of Montreal	2.100	06-Oct-2020	978	981	
6 625	Bank of Montreal	3.400	23-Apr-2021	6 718	6 729	
245	Bank of Montreal	1.610	28-Oct-2021	236	237	
60	BC Tel	9.650	08-Apr-2022	81	71	
995	Bell Canada	4.950	19-May-2021	1 045	1 040	
600	Bell Canada	2.700	27-Feb-2024	575	579	
335	Bell Canada	3.600	29-Sep-2027	324	330	
210	Bow Centre Street LP	3.690	14-Jun-2021	210	208	
70	Bow Centre Street LP	3.693	14-Jun-2022	70	69	
330	Bow Centre Street LP	3.797	13-Jun-2023	325	324	
360	Bridging North America GP	4.023	31-May-2038	364	380	
1 180	Brookfield Asset Management Inc.	5.040	08-Mar-2024	1 258	1 244	
2 585	Brookfield Infrastructure Finance ULC	3.538	30-Oct-2020	2 621	2 612	
1 390	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	1 470	1 439	
115	Bruce Power LP	2.844	23-Jun-2021	115	115	
290	Bruce Power LP	3.969	23-Jun-2026	295	295	
895	Bruce Power LP	4.010	21-Jun-2029	905	899	
205	Bruce Power LP	4.132	21-Jun-2033	205	200	
735	Cameco Corp.	5.670	02-Sep-2019	825	748	
650	Cameco Corp.	4.190	24-Jun-2024	650	649	
480	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	474	476	
553	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	541	543	
365	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	354	355	
247	Capital City Link General Partnership	4.386	31-Mar-2046	260	264	
285	Clover LP	4.216	30-Jun-2034	285	297	
910	Cominar Real Estate Investment Trust	4.941	27-Jul-2020	965	925	
149	Cominar Real Estate Investment Trust	4.250	08-Dec-2021	149	148	
125	CU Inc.	9.920	01-Apr-2022	193	152	
1 670	CU Inc.	6.215	06-Mar-2024	2 058	1 935	
10	CU Inc.	4.722	09-Sep-2043	12	11	
215	CU Inc.	3.950	23-Nov-2048	215	219	
755	CU Inc.	4.094	19-Oct-2054	768	780	
92	Dufferin Wind Power Inc.	4.317	30-Nov-2033	92	94	
125	Ellisdon Infrastructure RIH General Partnership	3.930	31-Oct-2038	125	128	
340	Emera Inc.	4.830	02-Dec-2019	365	346	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
255	Enbridge Gas Distribution Inc.	4.770	17-Dec-2021	\$ 283	\$ 270	
1 125	Enbridge Gas Distribution Inc.	6.650	03-Nov-2027	1 425	1 386	
2 179	Enbridge Pipelines Inc.	3.000	10-Aug-2026	2 169	2 106	
180	Enbridge Pipelines Inc.	4.130	09-Aug-2046	168	169	
155	Enwave Energy Corp.	3.943	07-Dec-2037	155	147	
525	Fair Hydro Trust	3.520	15-May-2038	536	536	
330	Fortis Inc.	2.850	12-Dec-2023	322	325	
915	Gaz Metro Inc.	4.930	18-Jun-2019	1 043	926	
415	Gaz Metro Inc.	5.450	12-Jul-2021	443	444	
130	Grand Renewable Solar LP	3.926	31-Jan-2035	130	130	
375	Greater Toronto Airports Authority	6.450	03-Dec-2027	502	476	
310	Greater Toronto Airports Authority	7.050	12-Jun-2030	412	421	
215	Greater Toronto Airports Authority	7.100	04-Jun-2031	310	297	
25	Greater Toronto Airports Authority	5.630	07-Jun-2040	35	33	
678	H2O Power LP	3.310	30-Nov-2029	678	652	
139	Hospital Infrastructure Partners NOH Partnership	5.439	31-Jan-2045	159	163	
1 790	Hydro One Inc.	1.480	18-Nov-2019	1 768	1 777	
2 145	Hydro One Inc.	1.620	30-Apr-2020	2 118	2 119	
2 380	Hydro One Inc.	4.400	01-Jun-2020	2 454	2 440	
1 605	Hydro One Inc.	1.840	24-Feb-2021	1 566	1 577	
205	Hydro One Inc.	2.570	25-Jun-2021	205	204	
240	Hydro One Inc.	3.200	13-Jan-2022	243	243	
950	Hydro One Inc.	2.970	26-Jun-2025	938	942	
120	Hydro One Inc.	6.930	01-Jun-2032	177	160	
250	Hydro One Inc.	6.350	31-Jan-2034	325	322	
70	Hydro One Inc.	5.490	16-Jul-2040	85	86	
220	Hydro One Inc.	4.590	09-Oct-2043	244	244	
75	Hydro One Inc.	3.910	23-Feb-2046	80	75	
145	Hydro One Inc.	3.630	25-Jun-2049	136	138	
500	Hydro Ottawa Holdings Inc.	2.614	03-Feb-2025	504	487	
410	Inter Pipeline Ltd.	3.448	20-Jul-2020	416	413	
244	Kingston Solar LP	3.571	31-Jul-2035	244	238	
140	Loblaw Companies Ltd.	3.918	10-Jun-2024	140	143	
355	Loblaw Companies Ltd.	4.488	11-Dec-2028	355	366	
390	Lower Mattagami Energy LP	4.331	18-May-2021	427	405	
145	Maple Leaf Sports & Entertainment Ltd.	4.940	30-Jun-2023	145	148	
4	Maritimes & Northeast Pipeline LP	4.340	30-Nov-2019	4	4	
236	Melancthon Wolfe Wind LP	3.834	31-Dec-2028	236	237	
140	Metro Inc.	3.390	06-Dec-2027	131	134	
120	Mosaic Transit Partners GP	4.111	28-Feb-2038	120	122	
75	Mosaic Transit Partners GP	4.470	28-Feb-2053	75	75	
150	Mountain View Partners GP	3.974	31-Mar-2051	150	143	
80	NAV Canada	4.397	18-Feb-2021	84	83	
373	North Battleford Power LP	4.958	31-Dec-2032	393	409	
535	North West Redwater Partnership	2.800	01-Jun-2027	515	507	
980	North West Redwater Partnership	4.250	01-Jun-2029	976	1 023	
305	North West Redwater Partnership	4.150	01-Jun-2033	305	312	
145	North West Redwater Partnership	3.650	01-Jun-2035	145	139	
795	North West Redwater Partnership	4.350	10-Jan-2039	829	816	
79	Northland Power Solar Finance One LP	4.397	30-Jun-2032	79	82	
230	Nouvelle Autoroute 30 Financement Inc.	3.742	31-Dec-2032	230	233	
230	Nouvelle Autoroute 30 Financement Inc.	3.750	31-Mar-2033	230	235	
260	Nova Gas Transmission Ltd.	8.900	27-May-2025	348	340	
105	Nova Scotia Power Inc.	5.670	14-Nov-2035	130	127	
95	Ottawa MacDonald-Cartier International Airport Authority	6.973	25-May-2032	129	120	
155	PSS Generating Station LP	4.795	24-Oct-2067	155	177	
195	Ridley Grain Ltd.	5.227	01-Aug-2024	195	203	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
385	Rogers Communications Inc.	5.340	22-Mar-2021	\$ 411	\$ 404	
1 815	Royal Bank of Canada*	2.860	04-Mar-2021	1 819	1 822	
3 940	Royal Bank of Canada*	2.030	15-Mar-2021	3 870	3 886	
3 450	Royal Bank of Canada*	1.650	15-Jul-2021	3 337	3 359	
125	Royal Bank of Canada*	1.583	13-Sep-2021	121	121	
178	SEC LP and Arci Ltd.	5.188	29-Aug-2033	178	186	
30	SGTP Highway Bypass LP	4.105	31-Jan-2045	30	31	
90	Sun Life Financial Inc.	2.770	13-May-2024	91	90	
335	Sysco Canada Inc.	3.650	25-Apr-2025	335	337	
2 540	TELUS Corp.	5.050	23-Jul-2020	2 660	2 627	
269	THP Partnership	4.394	31-Oct-2046	284	289	
3 160	Toronto-Dominion Bank	1.693	02-Apr-2020	3 117	3 129	
3 730	Toronto-Dominion Bank	2.045	08-Mar-2021	3 661	3 683	
870	Toronto-Dominion Bank	1.680	08-Jun-2021	849	852	
755	TransAlta OCP LP	4.509	05-Aug-2030	755	777	
760	TransCanada Pipelines Ltd.	4.350	06-Jun-2046	758	727	
840	TransCanada Pipelines Ltd.	4.330	16-Sep-2047	823	797	
410	TransEd Partners GP	3.951	30-Sep-2050	379	389	
3 700	Union Gas Ltd.	4.850	25-Apr-2022	4 023	3 936	
975	Union Gas Ltd.	2.810	01-Jun-2026	983	949	
475	Union Gas Ltd.	4.200	02-Jun-2044	484	498	
55	Vancouver Airport Authority	3.857	10-Nov-2045	61	59	
90	Vancouver Airport Authority	3.656	23-Nov-2048	90	93	
109	Vancouver Airport Fuel Facilities Corp.	3.653	20-Mar-2051	109	114	
565	Westcoast Energy Inc.	5.600	16-Jan-2019	608	566	
95	Westcoast Energy Inc.	3.883	28-Oct-2021	95	97	
70	Westcoast Energy Inc.	6.750	15-Dec-2027	90	85	
135	Westcoast Energy Inc.	4.791	28-Oct-2041	151	139	
172	Winnipeg Airport Authority Inc.	6.102	20-Nov-2040	177	214	
				90 467	89 758	37.8
FEDERAL						
834	Canada Housing Trust No. 1	1.250	15-Jun-2021	833	818	
5 464	Canada Housing Trust No. 1	1.150	15-Dec-2021	5 275	5 316	
1 761	Canada Housing Trust No. 1	1.500	15-Dec-2021	1 762	1 731	
5 082	Canada Housing Trust No. 1	1.750	15-Jun-2022	5 045	5 010	
7 007	Canada Housing Trust No. 1	2.400	15-Dec-2022	7 070	7 052	
6 474	Canada Housing Trust No. 1	2.350	15-Jun-2023	6 449	6 496	
1 045	Canada Housing Trust No. 1	2.350	15-Jun-2027	1 032	1 036	
1 699	Canada Housing Trust No. 1	2.650	15-Dec-2028	1 690	1 718	
57	CBC Monetization Trust	4.688	15-May-2027	58	62	
15	Government of Canada	1.750	01-Sep-2019	15	15	
107	Government of Canada	1.500	01-Mar-2020	106	107	
1	Government of Canada	1.750	01-May-2020	1	1	
465	Government of Canada	0.750	01-Sep-2021	447	452	
1 020	Government of Canada	1.750	01-Mar-2023	1 014	1 014	
1 224	Government of Canada	2.000	01-Sep-2023	1 208	1 230	
1 600	Government of Canada	1.500	01-Jun-2026	1 546	1 552	
1 000	Government of Canada	1.000	01-Jun-2027	913	927	
105	Government of Canada	5.750	01-Jun-2033	145	153	
325	Government of Canada	5.000	01-Jun-2037	466	466	
145	Government of Canada	4.000	01-Jun-2041	183	191	
195	Government of Canada	1.250	01-Dec-2047	230	219	
10 605	Government of Canada	2.750	01-Dec-2048	11 594	11 926	
944	Government of Canada	0.500	01-Dec-2050	914	874	
701	Government of Canada	2.000	01-Dec-2051	658	671	
				48 654	49 037	20.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL						
286	City of Montreal	3.000	01-Sep-2027	\$ 280	\$ 286	
1 005	City of Montreal	3.150	01-Sep-2028	999	1 011	
1 150	City of Toronto	3.500	02-Jun-2036	1 154	1 161	
1 000	First Nations Finance Authority	3.400	26-Jun-2024	1 062	1 032	
376	First Nations Finance Authority	3.050	01-Jun-2028	372	376	
260	Hospital for Sick Children	5.217	16-Dec-2049	267	336	
320	Hospital for Sick Children	3.416	07-Dec-2057	320	309	
602	Ontario Electricity Financial Corp.	8.500	26-May-2025	923	803	
145	Ontario Electricity Financial Corp.	9.000	26-May-2025	223	198	
1 019	Ontario Electricity Financial Corp.	8.250	22-Jun-2026	1 509	1 388	
165	Ontario School Boards Financing Corp.	5.900	11-Oct-2027	187	186	
114	Ontario School Boards Financing Corp.	5.376	25-Jun-2032	130	129	
345	OPB Finance Trust	1.880	24-Feb-2022	335	339	
220	OPB Finance Trust	2.980	25-Jan-2027	220	221	
2 704	Province of Alberta	2.200	01-Jun-2026	2 576	2 602	
692	Province of Alberta	3.450	01-Dec-2043	759	710	
1 937	Province of Alberta	3.300	01-Dec-2046	2 013	1 936	
139	Province of Manitoba	4.050	05-Sep-2045	152	156	
2 287	Province of Manitoba	2.850	05-Sep-2046	2 098	2 079	
399	Province of New Brunswick	3.650	03-Jun-2024	430	420	
669	Province of New Brunswick	4.800	26-Sep-2039	846	809	
192	Province of New Brunswick	4.800	03-Jun-2041	234	234	
312	Province of New Brunswick	3.550	03-Jun-2043	305	319	
862	Province of New Brunswick	3.800	14-Aug-2045	923	919	
577	Province of Newfoundland and Labrador	3.300	17-Oct-2046	540	558	
330	Province of Ontario	3.150	02-Jun-2022	341	339	
1 700	Province of Ontario	1.950	27-Jan-2023	1 685	1 673	
285	Province of Ontario	2.850	02-Jun-2023	294	290	
870	Province of Ontario	2.600	08-Sep-2023	870	875	
142	Province of Ontario	7.500	07-Feb-2024	198	175	
3 614	Province of Ontario	3.500	02-Jun-2024	3 949	3 787	
1 926	Province of Ontario	2.600	02-Jun-2025	1 909	1 923	
1 548	Province of Ontario	8.500	02-Dec-2025	2 270	2 106	
1 881	Province of Ontario	2.400	02-Jun-2026	1 825	1 842	
2 757	Province of Ontario	2.600	02-Jun-2027	2 677	2 719	
3 828	Province of Ontario	2.900	02-Jun-2028	3 797	3 853	
4 196	Province of Ontario	6.200	02-Jun-2031	5 904	5 606	
4 439	Province of Ontario	5.600	02-Jun-2035	5 982	5 846	
1 289	Province of Ontario	4.700	02-Jun-2037	1 587	1 567	
2 567	Province of Ontario	4.600	02-Jun-2039	3 311	3 116	
4 923	Province of Ontario	3.500	02-Jun-2043	5 213	5 169	
125	Province of Ontario	3.450	02-Jun-2045	133	130	
125	Province of Ontario	2.900	02-Dec-2046	121	118	
1 513	Province of Ontario	2.800	02-Jun-2048	1 414	1 402	
5 096	First Nations Finance Authority	2.900	02-Jun-2049	4 870	4 827	
874	Province of Quebec	9.375	16-Jan-2023	1 331	1 107	
336	Province of Quebec	2.750	01-Sep-2025	336	339	
565	Province of Quebec	8.500	01-Apr-2026	867	778	
226	Province of Quebec	2.750	01-Sep-2027	226	226	
2 546	Province of Quebec	2.750	01-Sep-2028	2 502	2 542	
904	Province of Quebec	6.000	01-Oct-2029	1 196	1 165	
1 135	Province of Quebec	5.000	01-Dec-2041	1 508	1 478	
83	Province of Quebec	3.500	01-Dec-2045	93	88	
823	Province of Quebec	3.500	01-Dec-2048	882	881	
677	Province of Saskatchewan	2.550	02-Jun-2026	677	668	
54	Province of Saskatchewan	6.400	05-Sep-2031	80	73	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
476	Province of Saskatchewan	3.900	02-Jun-2045	\$ 578	\$ 528	
747	Province of Saskatchewan	2.750	02-Dec-2046	711	675	
1 000	South Coast British Columbia Transportation Authority	3.250	23-Nov-2028	999	1 019	
160	Trillium Health Partners Volunteers	3.702	20-Dec-2058	160	159	
141	University of British Columbia	6.650	01-Dec-2031	189	189	
				79 542	77 795	32.8
TOTAL CANADIAN BONDS				218 663	216 590	91.3
UNITED KINGDOM BONDS						
110	National Grid Electricity Transmission Plc. CAD	2.900	26-Nov-2019	110	110	
TOTAL UNITED KINGDOM BONDS				110	110	—
UNITED STATES BONDS						
1 200	AT&T Inc. CAD	4.000	25-Nov-2025	1 197	1 196	
695	AT&T Inc. CAD	5.100	25-Nov-2048	686	672	
195	The Walt Disney Co. CAD	2.758	07-Oct-2024	194	192	
740	United Parcel Service Inc. CAD	2.125	21-May-2024	735	706	
461	United States Treasury	3.125	15-May-2048	625	642	
TOTAL UNITED STATES BONDS				3 437	3 408	1.4
TOTAL BONDS				222 210	220 108	92.7
MORTGAGE-BACKED SECURITIES						
113	Peoples Trust	4.200	01-Oct-2019	115	115	
TOTAL MORTGAGE-BACKED SECURITIES				115	115	0.1
MORTGAGES						
CMHC Insured						
170	Mortgage, 3.160% Sep 05, 2024			170	168	
TOTAL MORTGAGES				170	168	0.1
SHORT-TERM INVESTMENTS†						
2 175	Bay Street Funding Trust - Class A			2 172	2 172	
250	Canadian Master Trust - Series A			249	249	
875	Greater Toronto Airports Authority			874	874	
6 875	Merit Trust - Senior Notes			6 871	6 871	
5 225	Prime Trust - Senior Notes			5 221	5 221	
TOTAL SHORT-TERM INVESTMENTS				15 387	15 387	6.5
TOTAL INVESTMENTS				237 882	235 778	99.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(12)	—
TOTAL PORTFOLIO				\$ 237 882	235 766	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					1 407	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 237 173	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 518 Sold USD 389 @ 1.3320	15-Mar-2019	\$ (12)
TOTAL FOREIGN EXCHANGE		\$ (12)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 1.95% to 2.20% and mature between January 3, 2019 and January 15, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 235 778	\$ 224 303
Cash	267	289
Due from investment dealers	684	–
Subscriptions receivable	14	108
Dividends receivable, interest accrued and other assets	1 175	1 030
TOTAL ASSETS	237 918	225 730
LIABILITIES		
Due to investment dealers	672	–
Redemptions payable	27	10
Unrealized loss on foreign exchange contracts	12	–
Accounts payable and accrued expenses	34	32
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	745	42
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 237 173	\$ 225 688
Investments at cost	\$ 237 882	\$ 226 652
NAV		
SERIES A	\$ 10 588	\$ 8 749
ADVISOR SERIES	\$ 5 837	\$ 5 521
SERIES D	\$ 18 034	\$ 19 000
SERIES F	\$ 18 504	\$ 11 996
SERIES O	\$ 184 210	\$ 180 422
NAV PER UNIT		
SERIES A	\$ 10.67	\$ 10.82
ADVISOR SERIES	\$ 10.67	\$ 10.82
SERIES D	\$ 10.59	\$ 10.74
SERIES F	\$ 10.64	\$ 10.79
SERIES O	\$ 10.46	\$ 10.61

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 6 570	\$ 5 870
Derivative income	(10)	93
Net realized gain (loss) on investments	(3 228)	(739)
Change in unrealized gain (loss) on investments	233	(9)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	3 565	5 215
Securities lending revenue (see note 7 in the generic notes)	27	1
Net gain (loss) on foreign cash balances	30	22
TOTAL OTHER INCOME (LOSS)	57	23
TOTAL INCOME (LOSS)	3 622	5 238
EXPENSES (see notes – Fund Specific Information)		
Management fees	291	268
Administration fees	50	75
Independent Review Committee costs	2	3
GST/HST	33	32
TOTAL EXPENSES	376	378
INCREASE (DECREASE) IN NAV	\$ 3 246	\$ 4 860
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 50	\$ 127
ADVISOR SERIES	\$ 31	\$ 97
SERIES D	\$ 150	\$ 423
SERIES F	\$ 222	\$ 230
SERIES O	\$ 2 793	\$ 3 983
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.06	\$ 0.18
ADVISOR SERIES	\$ 0.06	\$ 0.18
SERIES D	\$ 0.09	\$ 0.23
SERIES F	\$ 0.15	\$ 0.23
SERIES O	\$ 0.17	\$ 0.26



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 246	\$ 4 860
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	(8)
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	3 228	739
Change in unrealized loss (gain) on investments	(233)	9
(Increase) decrease in accrued receivables	(145)	(105)
Increase (decrease) in accrued payables	2	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(629 627)	(731 139)
Proceeds from sale and maturity of investments	615 157	696 659
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(8 372)	(28 987)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	94 256	72 321
Cash paid on redemption of redeemable units	(84 183)	(41 980)
Distributions paid to holders of redeemable units	(1 723)	(1 318)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 8 350	\$ 29 023
Net increase (decrease) in cash for the period	(22)	36
Cash (bank overdraft), beginning of period	289	253
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 267	\$ 289
Interest received (paid)	\$ 6 425	\$ 5 757
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 8 749	\$ 7 707	\$ 5 521	\$ 6 296	\$ 19 000	\$ 20 010	\$ 11 996	\$ 9 855
INCREASE (DECREASE) IN NAV	50	127	31	97	150	423	222	230
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	5 220	2 365	1 465	634	1 772	1 718	11 962	5 284
Reinvestments of distributions to holders of redeemable units	179	133	103	100	349	381	265	127
Redemption of redeemable units	(3 427)	(1 443)	(1 174)	(1 501)	(2 823)	(3 084)	(5 557)	(3 246)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 972	1 055	394	(767)	(702)	(985)	6 670	2 165
Distributions from net income	(183)	(140)	(109)	(105)	(414)	(448)	(384)	(254)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(183)	(140)	(109)	(105)	(414)	(448)	(384)	(254)
NET INCREASE (DECREASE) IN NAV	1 839	1 042	316	(775)	(966)	(1 010)	6 508	2 141
NAV AT END OF PERIOD	\$ 10 588	\$ 8 749	\$ 5 837	\$ 5 521	\$ 18 034	\$ 19 000	\$ 18 504	\$ 11 996

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 180 422	\$ 147 357	\$ 225 688	\$ 191 225
INCREASE (DECREASE) IN NAV	2 793	3 983	3 246	4 860
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	74 924	63 104	95 343	73 105
Reinvestments of distributions to holders of redeemable units	3 590	3 381	4 486	4 122
Redemption of redeemable units	(72 400)	(32 910)	(85 381)	(42 184)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	6 114	33 575	14 448	35 043
Distributions from net income	(5 119)	(4 493)	(6 209)	(5 440)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 119)	(4 493)	(6 209)	(5 440)
NET INCREASE (DECREASE) IN NAV	3 788	33 065	11 485	34 463
NAV AT END OF PERIOD	\$ 184 210	\$ 180 422	\$ 237 173	\$ 225 688

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide investors with 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 that conduct themselves in a socially responsible manner.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	23.0	45.2
AA	43.6	30.0
A	20.4	15.9
BBB	12.4	8.2
BB	0.5	0.6
Unrated*	0.1	0.1
Total	100.0	100.0

* Mortgages, which represent 100% (December 31, 2017 – 100%) of the unrated above, are all Canada Mortgage and Housing Corporation ("CMHC") guaranteed mortgages, and therefore have the backing of an AAA rated issuer. As at December 31, 2018 and December 31, 2017, there were no mortgage payments in arrears for more than 90 days.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds	44.7	25.2
Provincial/Municipal Bonds	33.2	31.2
Federal Bonds	21.4	40.1
Mortgage-Backed Bonds	0.1	0.2
Cash/Other	0.6	3.3
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.1	2.2
1 – 5 years	39.7	39.3
5 – 10 years	23.7	28.2
> 10 years	34.5	30.3
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.3% (December 31, 2017 – 7.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	220 223	168	220 391
Short-term investments	–	15 387	–	15 387
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(12)	–	(12)
Total financial instruments	–	235 598	168	235 766
% of total portfolio	–	99.9	0.1	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	218 011	170	218 181
Short-term investments	–	6 122	–	6 122
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	224 133	170	224 303
% of total portfolio	–	99.9	0.1	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	170	–
Net purchases	–	173
Net sales	(3)	–
Net transfers in (out)	–	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	1	(3)
Balance at end of period	168	170
Change in unrealized gains (losses) for Level 3 assets held at end of period	1	(3)



December 31, 2018

The Level 3 assets are mortgages which are valued by a third-party vendor using industry-accepted methodologies which include unobservable inputs. Mortgages are valued by discounting future cash flows using a discount rate equal to the risk-free rate plus an appropriate risk spread premium. The spread premium is derived by the vendor from their risk rating program and a monthly spread matrix. This quantitative rules-based approach reviews seven risk factors to assess the market risk, credit risk and liquidity premiums to arrive at a total credit score for each mortgage. Among the inputs are the borrowers' financial statements, rent roll and operating statements, the most recent property inspection report and the terms of the mortgage itself.

As at December 31, 2018, a 10% increase or decrease in the weighted average spread premium of 1.45% (December 31, 2017 – 1.45%), an unobservable input, would have increased or decreased the Fund's NAV respectively by approximately 0.0% (December 31, 2017 – 0.0%).

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	0.90%	0.05%
Advisor Series	0.90%	0.05%
Series D	0.50%	0.05%
Series F	0.40%	0.05%
Series O	n/a [†]	0.02%

* Effective June 30, 2017, the administration fees for Series O units were reduced to 0.02% from 0.05%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	58	57
Series D	67	66
Series F	61	59
Series O	64	63
Value of all units	3	3

Please see the generic notes at the back of the financial statements.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	3 750
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	808	711
Issued number of units	490	217
Reinvested number of units	17	12
Redeemed number of units	(322)	(132)
Ending number of units	993	808
Advisor Series		
Opening units	510	581
Issued number of units	137	58
Reinvested number of units	10	9
Redeemed number of units	(110)	(138)
Ending number of units	547	510
Series D		
Opening units	1 769	1 859
Issued number of units	167	160
Reinvested number of units	33	35
Redeemed number of units	(266)	(285)
Ending number of units	1 703	1 769
Series F		
Opening units	1 112	912
Issued number of units	1 126	486
Reinvested number of units	25	12
Redeemed number of units	(523)	(298)
Ending number of units	1 740	1 112
Series O		
Opening units	17 000	13 858
Issued number of units	7 178	5 876
Reinvested number of units	343	318
Redeemed number of units	(6 914)	(3 052)
Ending number of units	17 607	17 000

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	30 073	33 559
Fair value of collateral received	30 732	34 263



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	35	100	1	100
RBC IS (paid)	(8)	(25)	—	(25)
Tax withheld	—	—	—	—
Fund revenue	27	75	1	75

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Vision Balanced Fund	12.9	11.4



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
18 516 275	BlueBay Emerging Markets Corporate Bond Fund*	\$ 202 923	\$ 191 621	
52 300	iShares iBoxx \$ High Yield Corporate Bond Fund	5 978	5 801	
16 608 699	RBC Emerging Markets Foreign Exchange Fund*	169 294	176 014	
TOTAL UNDERLYING FUNDS		378 195	373 436	4.9

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
25 350	Bank of Montreal	2.840	04-Jun-2020	\$ 26 471	\$ 25 457	
7 650	Bank of Montreal GBP	1.625	21-Jun-2022	13 760	13 259	
25 000	Bank of Nova Scotia USD	1.650	14-Jun-2019	31 778	33 939	
815	Baytex Energy Corp. USD	5.125	01-Jun-2021	758	1 071	
85	Baytex Energy Corp. USD	5.625	01-Jun-2024	104	101	
10 000	Bell Canada	3.540	12-Jun-2020	10 402	10 109	
7 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	6 999	6 978	
5 000	Canadian Western Bank	2.751	29-Jun-2020	5 048	4 987	
1 000	Cenovus Energy Inc. USD	6.750	15-Nov-2039	1 105	1 337	
5 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	5 006	4 945	
10 000	Enbridge Inc.	3.190	05-Dec-2022	9 968	9 974	
575	Enbridge Inc. USD	5.500	15-Jul-2077	661	667	
2 500	Ford Credit Canada Co.	2.580	10-May-2021	2 465	2 413	
2 500	Ford Credit Canada Co.	3.742	08-May-2023	2 500	2 390	
575	Gibson Energy Inc.	5.375	15-Jul-2022	545	575	
200	Gibson Energy Inc.	5.250	15-Jul-2024	201	195	
6 800	HSBC Bank Canada	3.245	15-Sep-2023	6 800	6 826	
125	Mattamy Group Corp. USD	6.875	15-Dec-2023	160	160	
575	Mattamy Group Corp. USD	6.500	01-Oct-2025	738	706	
100	New Gold Inc. USD	6.250	15-Nov-2022	113	115	
375	New Gold Inc. USD	6.375	15-May-2025	515	392	
375	Parkland Fuel Corp.	5.750	16-Sep-2024	381	368	
425	Parkland Fuel Corp.	5.625	09-May-2025	427	405	
350	Precision Drilling Corp. USD	7.750	15-Dec-2023	471	443	
200	Precision Drilling Corp. USD	7.125	15-Jan-2026	261	236	
9 800	Rogers Communications Inc.	5.340	22-Mar-2021	10 384	10 281	
825	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	1 036	1 012	
450	Superior Plus Corp. USD	7.000	15-Jul-2026	598	596	
750	Superior Plus LP	5.250	27-Feb-2024	767	707	
250	Superior Plus LP	5.125	27-Aug-2025	251	229	
525	Vermilion Energy Inc. USD	5.625	15-Mar-2025	705	676	
760	Videotron Ltd.	5.625	15-Jun-2025	765	772	
640	Videotron Ltd.	5.750	15-Jan-2026	644	650	
				142 787	142 971	1.9
FEDERAL						
39 660	Government of Canada	2.000	01-Jun-2028	38 792	39 785	
				38 792	39 785	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL						
2 160	Province of Nova Scotia USD	8.750	01-Apr-2022	\$ 3 148	\$ 3 461	
3 250	Province of Nova Scotia USD	8.250	30-Jul-2022	4 616	5 207	
37 660	Province of Ontario USD	2.000	30-Jan-2019	46 694	51 392	
200 000	Province of Ontario JPY	1.650	08-Jun-2020	2 262	2 550	
52 000	Province of Ontario USD	2.500	10-Sep-2021	68 173	70 482	
35 300	Province of Ontario USD	2.400	08-Feb-2022	44 950	47 555	
28 000	Province of Ontario USD	2.250	18-May-2022	35 133	37 460	
9 000	Province of Ontario USD	2.200	03-Oct-2022	11 211	12 002	
1 000	Province of Ontario	2.900	02-Jun-2028	992	1 008	
4 800	Province of Quebec GBP	0.875	24-May-2022	7 778	8 220	
20 000	Province of Quebec USD	2.375	31-Jan-2022	26 301	26 989	
2 000	Province of Saskatchewan USD	9.375	15-Dec-2020	2 869	3 053	
				254 127	269 379	3.5
TOTAL CANADIAN BONDS				435 706	452 135	5.9
FOREIGN BONDS						
Australia						
106 170	Australia Government AUD	2.250	21-May-2028	98 158	101 497	
440	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	574	555	
				98 732	102 052	1.3
Austria						
47 700	Austria Government EUR	0.500	20-Apr-2027	71 277	75 300	
				71 277	75 300	1.0
Azerbaijan						
2 515	Republic of Azerbaijan USD	4.750	18-Mar-2024	3 263	3 432	
1 010	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	1 221	1 378	
				4 484	4 810	0.1
Bahamas						
1 375	Bahamas Government USD	5.750	16-Jan-2024	1 848	1 910	
				1 848	1 910	—
Belgium						
66 793	Belgium Government EUR	2.600	22-Jun-2024	113 610	118 756	
21 540	Belgium Government EUR	4.250	28-Mar-2041	51 491	50 510	
				165 101	169 266	2.2
Bolivia						
400	Bolivian Government USD	5.950	22-Aug-2023	547	543	
				547	543	—
Brazil						
1 075	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	1 506	1 534	
300	Republic of Brazil USD	4.625	13-Jan-2028	368	395	
1 925	Republic of Brazil USD	5.625	07-Jan-2041	2 363	2 535	
				4 237	4 464	0.1
Chile						
2 025	Republic of Chile USD	3.860	21-Jun-2047	2 551	2 591	
				2 551	2 591	—
China						
10 000	China Government CNY	3.540	16-Aug-2028	1 872	2 041	
195	Sinochem Overseas Capital Co. Ltd. USD	4.500	12-Nov-2020	223	270	
355	Sinopec Group Overseas Development 2012 Ltd. USD	3.900	17-May-2022	486	489	
1 100	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	1 520	1 587	
260	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	359	362	
800	The Export-Import Bank of China USD	3.625	31-Jul-2024	1 064	1 093	
				5 524	5 842	0.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Colombia						
1 535	Republic of Colombia USD	8.125	21-May-2024	\$ 2 412	\$ 2 460	
600	Republic of Colombia USD	3.875	25-Apr-2027	741	785	
3 450	Republic of Colombia USD	6.125	18-Jan-2041	5 099	5 115	
				8 252	8 360	0.1
Costa Rica						
455	Banco Nacional de Costa Rica USD	6.250	01-Nov-2023	630	587	
1 600	Costa Rica Government USD	7.000	04-Apr-2044	2 067	1 859	
				2 697	2 446	—
Croatia						
1 190	Croatia Government USD	6.750	05-Nov-2019	1 661	1 668	
1 980	Croatia Government USD	5.500	04-Apr-2023	2 760	2 844	
410	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	575	584	
				4 996	5 096	0.1
Denmark						
309 000	Denmark Government DKK	1.500	15-Nov-2023	68 476	70 273	
				68 476	70 273	0.9
Dominican Republic						
2 810	Dominican Republic USD	7.500	06-May-2021	3 875	3 970	
1 275	Dominican Republic USD	5.875	18-Apr-2024	1 726	1 765	
1 885	Dominican Republic USD	7.450	30-Apr-2044	2 681	2 688	
				8 282	8 423	0.1
France						
56 400	France O.A.T. EUR	3.500	25-Apr-2020	88 866	92 966	
117 210	France O.A.T. EUR	3.000	25-Apr-2022	199 606	203 804	
109 892	France O.A.T. EUR	0.500	25-May-2026	166 369	173 732	
102 500	France O.A.T. EUR	1.250	25-May-2036	152 489	160 272	
9 300	France O.A.T. EUR	1.750	25-May-2066	12 058	14 077	
				619 388	644 851	8.4
Georgia						
850	Georgia Government USD	6.875	12-Apr-2021	1 173	1 222	
				1 173	1 222	—
Germany						
90 450	Bundesrepublik Deutschland EUR	1.500	04-Sep-2022	147 249	151 862	
23 600	Bundesrepublik Deutschland EUR	1.000	15-Aug-2024	38 634	39 473	
39 580	Bundesrepublik Deutschland EUR	4.000	04-Jan-2037	90 900	97 598	
11 000	Bundesrepublik Deutschland EUR	2.500	15-Aug-2046	22 243	24 237	
				299 026	313 170	4.1
Guatemala						
435	Republic of Guatemala USD	5.750	06-Jun-2022	608	616	
1 465	Republic of Guatemala USD	4.500	03-May-2026	1 872	1 883	
				2 480	2 499	—
Honduras						
795	Honduras Government USD	6.250	19-Jan-2027	1 069	1 075	
				1 069	1 075	—
Hungary						
1 520	Hungary Government USD	6.250	29-Jan-2020	2 223	2 137	
2 325	Hungary Government USD	5.375	25-Mar-2024	3 316	3 409	
700	Hungary Government USD	7.625	29-Mar-2041	1 272	1 346	
				6 811	6 892	0.1
India						
1 500	Export-Import Bank of India USD	3.375	05-Aug-2026	1 831	1 886	
1 150	Export-Import Bank of India USD	3.875	01-Feb-2028	1 392	1 475	
250	NTPC Ltd. USD	5.625	14-Jul-2021	333	356	
				3 556	3 717	0.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Indonesia						
1 605	Government of Indonesia USD	4.875	05-May-2021	\$ 2 107	\$ 2 244	
1 450	Government of Indonesia USD	4.125	15-Jan-2025	1 931	1 954	
1 140	Government of Indonesia USD	5.250	17-Jan-2042	1 524	1 571	
1 460	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	1 836	1 781	
1 500	Pertamina Persero PT USD	5.625	20-May-2043	1 970	1 944	
1 650	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	2 259	2 256	
2 130	Perusahaan Listrik Negara PT USD	5.500	22-Nov-2021	2 750	3 006	
				14 377	14 756	0.2
Ireland						
300	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	388	389	
200	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	275	273	
19 190	Ireland Government EUR	3.400	18-Mar-2024	32 961	35 076	
6 120	Ireland Government EUR	1.700	15-May-2037	8 332	9 764	
				41 956	45 502	0.6
Italy						
86 118	Buoni Poliennali Del Tesoro EUR	0.650	01-Nov-2020	124 124	135 086	
62 640	Buoni Poliennali Del Tesoro EUR	0.450	01-Jun-2021	101 219	97 313	
110 400	Buoni Poliennali Del Tesoro EUR	1.450	15-Sep-2022	167 928	173 051	
47 900	Buoni Poliennali Del Tesoro EUR	1.600	01-Jun-2026	67 998	71 548	
70 131	Buoni Poliennali Del Tesoro EUR	2.000	01-Feb-2028	103 970	105 025	
62 200	Buoni Poliennali Del Tesoro EUR	2.250	01-Sep-2036	86 929	86 639	
24 200	Buoni Poliennali Del Tesoro EUR	3.450	01-Mar-2048	36 657	37 519	
				688 825	706 181	9.2
Japan						
6 200	Development Bank of Japan Inc. EUR	0.375	21-Oct-2019	9 026	9 744	
4 070 000	Development Bank of Japan Inc. JPY	1.700	20-Sep-2022	51 148	53 992	
1 643 000	Development Bank of Japan Inc. JPY	1.050	20-Jun-2023	22 233	21 417	
700 000	Development Bank of Japan Inc. JPY	2.300	19-Mar-2026	7 656	10 138	
15 425	Japan Finance Organization for Municipalities EUR	0.875	22-Sep-2021	22 632	24 740	
13 500 000	Japan Government Twenty Year JPY	0.200	20-Jun-2036	163 114	162 613	
10 558 500	Japan Government Twenty Year JPY	0.500	20-Sep-2036	132 598	133 589	
9 115 000	Japan Government Twenty Year JPY	0.600	20-Dec-2036	107 131	117 029	
9 165 000	Japan Government Twenty Year JPY	0.600	20-Sep-2037	105 343	117 086	
3 437 000	Japan Government Thirty Year JPY	1.500	20-Dec-2044	45 124	51 520	
12 880 000	Japan Government Thirty Year JPY	0.300	20-Jun-2046	145 310	145 160	
2 556 700	Japan Government Forty Year JPY	0.400	20-Mar-2056	24 083	27 673	
				835 398	874 701	11.4
Jordan						
1 270	Jordan Government USD	6.125	29-Jan-2026	1 670	1 668	
				1 670	1 668	—
Kazakhstan						
1 775	Government of Kazakhstan USD	5.125	21-Jul-2025	2 440	2 569	
3 020	Government of Kazakhstan USD	4.875	14-Oct-2044	3 929	4 121	
950	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	1 234	1 266	
				7 603	7 956	0.1
Luxembourg						
220	Altice Financing S.A. USD	6.625	15-Feb-2023	281	289	
900	ArcelorMittal USD	8.000	15-Oct-2039	1 367	1 298	
562	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	747	719	
525	INEOS Group Holdings S.A. USD	5.625	01-Aug-2024	687	637	
				3 082	2 943	—
Macedonia						
200	Republic of Macedonia EUR	3.975	24-Jul-2021	315	329	
				315	329	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Malaysia						
1 693	1MDB Energy Ltd. USD	5.990	11-May-2022	\$ 2 356	\$ 2 344	
225	Petronas Capital Ltd. USD	4.500	18-Mar-2045	289	309	
				2 645	2 653	—
Mexico						
1 500	Banco Nacional de Comercio Exterior SNC USD	3.800	11-Aug-2026	1 913	1 961	
500	Cemex S.A.B. de C.V. USD	5.700	11-Jan-2025	678	656	
850	Comision Federal de Electricidad USD	4.875	26-May-2021	1 078	1 172	
1 417 700	Mexican Bonos MXN	8.500	31-May-2029	88 895	96 977	
500	Mexico City Airport Trust USD	5.500	31-Jul-2047	583	603	
2 685	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	3 447	3 218	
2 550	Petroleos Mexicanos USD	5.375	13-Mar-2022	3 465	3 427	
2 162	United Mexican States USD	5.750	12-Oct-2110	2 766	2 786	
				102 825	110 800	1.4
Morocco						
2 225	OCP S.A. USD	5.625	25-Apr-2024	2 987	3 120	
315	OCP S.A. USD	6.875	25-Apr-2044	429	448	
				3 416	3 568	0.1
Netherlands						
28 900	Netherlands Government EUR	0.750	15-Jul-2027	41 607	46 997	
14 000	Netherlands Government EUR	2.750	15-Jan-2047	29 639	31 847	
				71 246	78 844	1.0
New Zealand						
500	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	645	651	
				645	651	—
Oman						
1 900	Oman Government USD	4.750	15-Jun-2026	2 437	2 252	
				2 437	2 252	—
Panama						
1 870	Republic of Panama USD	7.125	29-Jan-2026	2 812	3 015	
2 650	Republic of Panama USD	6.700	26-Jan-2036	4 228	4 432	
				7 040	7 447	0.1
Paraguay						
2 175	Republic of Paraguay USD	4.625	25-Jan-2023	2 895	2 996	
1 735	Republic of Paraguay USD	6.100	11-Aug-2044	2 392	2 461	
				5 287	5 457	0.1
Peru						
2 550	Corp Financiera de Desarrollo S.A. USD	4.750	08-Feb-2022	3 455	3 529	
3 920	Peruvian Government USD	8.750	21-Nov-2033	7 747	7 926	
				11 202	11 455	0.2
Philippines						
2 465	Republic of Philippines USD	7.750	14-Jan-2031	4 383	4 545	
250	Republic of Philippines USD	3.700	01-Mar-2041	295	325	
				4 678	4 870	0.1
Poland						
1 840	Government of Poland USD	3.250	06-Apr-2026	2 362	2 470	
				2 362	2 470	—
Portugal						
24 000	Portugal Obrigacoes do Tesouro EUR	4.800	15-Jun-2020	38 548	40 368	
25 000	Portugal Obrigacoes do Tesouro EUR	2.200	17-Oct-2022	38 848	42 182	
				77 396	82 550	1.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Qatar						
1 325	State of Qatar USD	2.375	02-Jun-2021	\$ 1 679	\$ 1 770	
1 485	State of Qatar USD	6.400	20-Jan-2040	2 422	2 546	
				4 101	4 316	0.1
Romania						
2 446	Romanian Government USD	6.750	07-Feb-2022	3 586	3 599	
2 400	Romanian Government EUR	2.875	28-Oct-2024	3 604	4 103	
7 575	Romanian Government EUR	2.875	11-Mar-2029	11 122	11 522	
4 718	Romanian Government EUR	2.500	08-Feb-2030	7 182	6 894	
840	Romanian Government USD	6.125	22-Jan-2044	1 321	1 280	
				26 815	27 398	0.4
Russia						
550	Gazprom PAO USD	4.950	19-Jul-2022	711	759	
1 870	Gazprom PAO USD	7.288	16-Aug-2037	2 779	2 854	
2 500	Russian Foreign Bond - Eurobond USD	4.875	16-Sep-2023	3 248	3 487	
3 145	Russian Foreign Bond - Eurobond USD	4.750	27-May-2026	4 190	4 268	
				10 928	11 368	0.1
Saudi Arabia						
1 725	Saudi Government USD	4.500	17-Apr-2030	2 265	2 351	
				2 265	2 351	—
Senegal						
200	Senegal Government USD	6.750	13-Mar-2048	229	228	
				229	228	—
Serbia						
2 775	Republic of Serbia USD	7.250	28-Sep-2021	4 061	4 088	
				4 061	4 088	0.1
South Africa						
300	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	393	375	
2 665	Republic of South Africa USD	4.665	17-Jan-2024	3 408	3 567	
850	Republic of South Africa USD	4.850	27-Sep-2027	1 051	1 086	
1 855	Republic of South Africa USD	6.250	08-Mar-2041	2 556	2 471	
225	Republic of South Africa USD	5.650	27-Sep-2047	261	275	
1 325	Transnet SOC Ltd. USD	4.000	26-Jul-2022	1 666	1 699	
				9 335	9 473	0.1
South Korea						
5 600	The Korea Development Bank AUD	4.500	22-Nov-2019	5 654	5 461	
				5 654	5 461	0.1
Spain						
225 530	Spain Government EUR	1.150	30-Jul-2020	338 175	361 181	
25 000	Spain Government EUR	0.050	31-Jan-2021	37 798	39 303	
80 857	Spain Government EUR	0.450	31-Oct-2022	127 250	128 182	
21 500	Spain Government EUR	0.350	30-Jul-2023	32 697	33 659	
17 940	Spain Government EUR	1.450	31-Oct-2027	25 574	28 466	
12 100	Spain Government EUR	4.700	30-Jul-2041	24 730	26 746	
35 000	Spain Government EUR	2.700	31-Oct-2048	56 454	55 820	
3 200	Spain Government EUR	4.000	31-Oct-2064	4 602	6 405	
				647 280	679 762	8.9
Supranational						
20 130	Asian Development Bank GBP	0.750	24-Mar-2022	33 240	34 582	
				33 240	34 582	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Turkey						
1 685	Export Credit Bank of Turkey USD	5.375	08-Feb-2021	\$ 2 150	\$ 2 229	
1 425	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	1 712	1 779	
400	Republic of Turkey USD	7.375	05-Feb-2025	582	566	
425	Republic of Turkey USD	6.000	25-Mar-2027	499	549	
3 980	Republic of Turkey USD	4.875	16-Apr-2043	4 050	4 055	
				8 993	9 178	0.1
United Arab Emirates						
500	Emirate of Dubai USD	7.750	05-Oct-2020	689	734	
1 125	Emirate of Dubai USD	5.250	30-Jan-2043	1 451	1 537	
				2 140	2 271	—
United Kingdom						
600	Ashtead Capital Inc. USD	5.625	01-Oct-2024	769	830	
105 690	United Kingdom Gilt GBP	1.250	22-Jul-2027	179 934	185 106	
30 102	United Kingdom Gilt GBP	4.500	07-Sep-2034	70 911	73 273	
82 700	United Kingdom Gilt GBP	3.250	22-Jan-2044	180 310	184 565	
				431 924	443 774	5.8
United States						
770	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	983	809	
645	Alcoa Nederland Holding BV	6.750	30-Sep-2024	875	898	
65	Alcoa Nederland Holding BV	7.000	30-Sep-2026	90	91	
250	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	449	407	
355	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	427	417	
145	AMC Entertainment Holdings Inc.	6.125	15-May-2027	176	170	
245	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	304	306	
650	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	822	798	
750	Avis Budget Car Rental LLC	5.250	15-Mar-2025	939	890	
625	Ball Corp.	4.875	15-Mar-2026	797	834	
775	Berry Global Inc.	4.500	15-Feb-2026	948	971	
625	Blue Racer Midstream LLC	6.625	15-Jul-2026	823	798	
550	Boyd Gaming Corp.	6.375	01-Apr-2026	738	729	
625	Builders FirstSource Inc.	5.625	01-Sep-2024	824	795	
300	Calpine Corp.	5.250	01-Jun-2026	369	375	
1 280	CCO Holdings LLC	5.750	15-Feb-2026	1 697	1 717	
625	Cedar Fair LP	5.375	15-Apr-2027	840	810	
250	CenturyLink Inc.	7.500	01-Apr-2024	319	330	
565	Cinemark USA Inc.	4.875	01-Jun-2023	736	742	
250	CIT Group Inc.	5.000	01-Aug-2023	331	335	
300	CIT Group Inc.	5.250	07-Mar-2025	395	401	
475	Consol Energy Inc.	5.875	15-Apr-2022	622	624	
950	CSC Holdings LLC	5.500	15-Apr-2027	1 287	1 209	
60	Dana Inc.	5.500	15-Dec-2024	79	77	
1 175	Diamond 1 Finance Corp.	6.020	15-Jun-2026	1 530	1 614	
415	Diamond 1 Finance Corp.	8.100	15-Jul-2036	546	617	
515	Equinix Inc.	5.875	15-Jan-2026	692	710	
525	Frontier Communications Corp.	11.000	15-Sep-2025	679	450	
650	Hanesbrands Inc.	4.875	15-May-2026	846	804	
850	HCA Inc.	5.875	15-Feb-2026	1 142	1 158	
600	HCA Inc.	4.500	15-Feb-2027	755	776	
630	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	794	828	
490	Ingles Markets Inc.	5.750	15-Jun-2023	543	664	
350	International Game Technology Plc.	6.500	15-Feb-2025	509	473	
445	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	570	586	
165	Lennar Corp.	4.750	30-May-2025	203	212	
1 160	Lennar Corp.	5.250	01-Jun-2026	1 517	1 499	
500	Mobile Mini Inc.	5.875	01-Jul-2024	658	671	
1 000	MPLX LP	4.875	01-Dec-2024	1 274	1 391	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
350	MPLX LP	4.875	01-Jun-2025	\$ 373	\$ 482	
450	Murphy Oil Corp.	5.750	15-Aug-2025	576	576	
450	New Albertson's Inc.	6.625	15-Jun-2024	589	573	
350	NRG Energy Inc.	6.250	01-May-2024	461	487	
350	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	484	475	
495	Parsley Energy LLC	6.250	01-Jun-2024	670	657	
100	Parsley Energy LLC	5.375	15-Jan-2025	130	126	
705	Post Holdings Inc.	5.750	01-Mar-2027	882	907	
150	PulteGroup Inc.	5.500	01-Mar-2026	193	198	
550	PulteGroup Inc.	5.000	15-Jan-2027	676	682	
275	Qwest Corp.	6.750	01-Dec-2021	302	385	
775	Rite Aid Corp.	6.125	01-Apr-2023	935	840	
475	SemGroup Corp.	6.375	15-Mar-2025	598	601	
625	Six Flags Entertainment Corp.	5.500	15-Apr-2027	809	806	
625	SM Energy Co.	6.750	15-Sep-2026	783	768	
550	Sonic Automotive Inc.	5.000	15-May-2023	730	685	
1 220	Sprint Capital Corp.	6.875	15-Nov-2028	1 522	1 578	
290	Sprint Corp.	7.875	15-Sep-2023	265	407	
200	Sprint Nextel Corp.	6.000	15-Nov-2022	267	269	
780	T-Mobile USA Inc.	4.750	01-Feb-2028	973	968	
150	Targa Resources Partners LP	5.875	15-Apr-2026	192	200	
155	Targa Resources Partners LP	5.375	01-Feb-2027	190	199	
480	Targa Resources Partners LP	5.000	15-Jan-2028	613	595	
300	Tempur Sealy International Inc.	5.625	15-Oct-2023	399	396	
400	Tempur Sealy International Inc.	5.500	15-Jun-2026	509	501	
550	Tenet Healthcare Corp.	4.625	15-Jul-2024	685	701	
400	The AES Corp.	4.500	15-Mar-2023	514	534	
140	The AES Corp.	4.875	15-May-2023	183	187	
140	The EW Scripps Co.	5.125	15-May-2025	180	176	
695	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	894	857	
45	Toll Brothers Finance Corp.	4.875	15-Nov-2025	59	58	
360	Toll Brothers Finance Corp.	4.875	15-Mar-2027	467	447	
545	Toll Brothers Finance Corp.	4.350	15-Feb-2028	639	640	
535	Unit Corp.	6.625	15-May-2021	677	668	
625	United Rentals North America Inc.	5.875	15-Sep-2026	814	807	
38 803	United States Treasury	1.500	30-Nov-2019	51 277	52 435	
143 000	United States Treasury	1.625	31-Jul-2020	183 813	192 473	
70 000	United States Treasury	1.750	15-Nov-2020	92 783	94 248	
189 700	United States Treasury	1.500	31-Jan-2022	248 995	251 663	
111 096	United States Treasury	1.750	15-May-2023	140 446	146 993	
223 993	United States Treasury	2.375	15-May-2027	279 998	299 588	
100 000	United States Treasury	2.750	15-Feb-2028	127 481	137 292	
101 000	United States Treasury	3.500	15-Feb-2039	142 724	151 029	
13 000	United States Treasury	4.375	15-Nov-2039	23 560	21 791	
140 120	United States Treasury	2.500	15-Feb-2045	170 296	173 475	
24 095	United States Treasury Inflation Indexed	1.000	15-Feb-2048	30 704	31 225	
700	Universal Health Services Inc.	5.000	01-Jun-2026	921	932	
505	Valvoline Inc.	5.500	15-Jul-2024	678	676	
540	Vistra Operations Co. LLC	5.500	01-Sep-2026	705	712	
900	Western Digital Corp.	4.750	15-Feb-2026	1 115	1 070	
625	WPX Energy Inc.	6.000	15-Jan-2022	829	834	
500	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	636	602	
				1 544 322	1 604 460	20.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Uruguay						
1 550	Republic of Uruguay USD	4.500	14-Aug-2024	\$ 2 053	\$ 2 169	
1 450	Republic of Uruguay USD	7.625	21-Mar-2036	2 508	2 591	
1 900	Republic of Uruguay USD	5.100	18-Jun-2050	2 548	2 558	
				7 109	7 318	0.1
Vietnam						
2 315	Republic of Vietnam USD	4.800	19-Nov-2024	3 062	3 197	
				3 062	3 197	—
TOTAL FOREIGN BONDS				6 006 370	6 251 080	81.5
TOTAL BONDS				6 442 076	6 703 215	87.4
MORTGAGE-BACKED SECURITIES						
3 864	Freddie Mac Gold Pool	4.000	01-Sep-2040	4 471	5 431	
TOTAL MORTGAGE-BACKED SECURITIES				4 471	5 431	0.1
SHORT-TERM INVESTMENTS†						
402 800	Bank of Montreal			402 118	402 118	
189 040	Bank of Nova Scotia			188 704	188 704	
21 750	Canadian Imperial Bank of Commerce			21 714	21 714	
3 500	Government of Canada Treasury Bills			3 469	3 469	
35 800	National Bank of Canada			35 743	35 743	
177 330	Toronto-Dominion Bank			177 011	177 011	
TOTAL SHORT-TERM INVESTMENTS				828 759	828 759	10.8
TOTAL INVESTMENTS				7 653 501	7 910 841	103.2
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)				—	10 789	0.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	30 178	0.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(275 929)	(3.6)
TOTAL PORTFOLIO				\$ 7 653 501	7 675 879	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					(5 664)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 7 670 215	100.0

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
150	Euro-Buxl 30-Year Bond Future, March 2019	
	Contracts at EUR 176.16 per contract \$ 39 971	\$ 1 046
1 190	United States 2-Year Note Future, March 2019	
	Contracts at USD 105.73 per contract 338 410	1 376
1 318	United States 10-Year Note Future, March 2019	
	Contracts at USD 119.12 per contract 208 460	5 216
350	U.S. Treasury Long Bond Future, March 2019	
	Contracts at USD 139.41 per contract 64 786	3 151
TOTAL FUTURES		\$ 651 627 \$ 10 789

US\$8 250 United States Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 2 247 Sold USD 1 645 @ 1.3657	03-Jan-2019	\$ 1
Bought EUR 57 Sold CAD 89 @ 0.6405	03-Jan-2019	—
Bought USD 6 393 Sold CAD 8 177 @ 0.7818	07-Jan-2019	549
Bought DKK 54 943 Sold CAD 11 042 @ 4.9757	09-Jan-2019	473
Bought PHP 806 711 Sold CAD 19 015 @ 42.4250	09-Jan-2019	1 930
Bought PLN 64 118 Sold CAD 22 051 @ 2.9077	10-Jan-2019	1 337
Bought EUR 2 000 Sold CAD 3 030 @ 0.6601	11-Jan-2019	100
Bought SEK 65 704 Sold CAD 9 605 @ 6.8406	11-Jan-2019	521
Bought USD 3 000 Sold CAD 3 969 @ 0.7559	11-Jan-2019	126
Bought USD 2 100 Sold CAD 2 862 @ 0.7338	14-Jan-2019	4
Bought ZAR 52 354 Sold CAD 4 930 @ 10.6195	14-Jan-2019	29
Bought ZAR 11 671 Sold CAD 1 081 @ 10.7996	14-Jan-2019	25
Bought USD 3 099 Sold CAD 3 957 @ 0.7832	15-Jan-2019	272
Bought BRL 109 573 Sold CAD 35 871 @ 3.0547	16-Jan-2019	2 678
Bought BRL 92 222 Sold CAD 30 217 @ 3.0520	16-Jan-2019	2 228
Bought CAD 20 621 Sold BRL 58 587 @ 0.3520	16-Jan-2019	9
Bought DKK 53 024 Sold CAD 10 663 @ 4.9728	17-Jan-2019	457
Bought JPY 130 000 Sold CAD 1 512 @ 85.9818	17-Jan-2019	108
Bought DKK 44 288 Sold CAD 8 907 @ 4.9722	18-Jan-2019	381
Bought USD 2 702 Sold CAD 3 518 @ 0.7680	18-Jan-2019	169
Bought JPY 1 790 022 Sold CAD 21 189 @ 84.4802	23-Jan-2019	1 131

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought SEK 198 010 Sold CAD 29 607 @ 6.6879	23-Jan-2019	\$ 932
Bought USD 250 Sold CAD 327 @ 0.7646	23-Jan-2019	14
Bought USD 3 942 Sold CAD 5 205 @ 0.7574	23-Jan-2019	174
Bought USD 551 Sold CAD 723 @ 0.7623	23-Jan-2019	29
Bought USD 1 381 Sold CAD 1 825 @ 0.7567	23-Jan-2019	59
Bought USD 297 Sold CAD 388 @ 0.7661	24-Jan-2019	18
Bought USD 57 000 Sold CAD 75 319 @ 0.7568	24-Jan-2019	2 449
Bought USD 1 000 Sold CAD 1 327 @ 0.7535	24-Jan-2019	37
Bought CAD 6 619 Sold USD 4 851 @ 1.3646	28-Jan-2019	2
Bought CAD 1 446 Sold GBP 828 @ 1.7467	28-Jan-2019	4
Bought EUR 21 120 Sold CAD 31 804 @ 0.6641	28-Jan-2019	1 285
Bought GBP 4 602 Sold CAD 7 807 @ 0.5895	28-Jan-2019	206
Bought JPY 3 098 953 Sold CAD 36 466 @ 84.9811	28-Jan-2019	2 188
Bought USD 200 Sold CAD 262 @ 0.7628	28-Jan-2019	11
Bought USD 579 Sold CAD 759 @ 0.7628	28-Jan-2019	31
Bought USD 28 133 Sold CAD 37 142 @ 0.7575	28-Jan-2019	1 237
Bought USD 700 Sold CAD 933 @ 0.7504	28-Jan-2019	22
Bought MXN 572 954 Sold CAD 37 476 @ 15.2885	31-Jan-2019	2 093
Bought EUR 2 700 Sold CAD 4 059 @ 0.6652	05-Feb-2019	173
Bought EUR 590 Sold CAD 893 @ 0.6609	05-Feb-2019	32
Bought HUF 8 153 600 Sold CAD 38 321 @ 212.7700	05-Feb-2019	1 466
Bought EUR 12 205 Sold CAD 18 811 @ 0.6488	06-Feb-2019	321
Bought EUR 1 490 Sold CAD 2 329 @ 0.6397	06-Feb-2019	7
Bought USD 4 370 Sold CAD 5 710 @ 0.7654	06-Feb-2019	251
Bought USD 128 Sold CAD 171 @ 0.7483	06-Feb-2019	4
Bought USD 2 667 Sold CAD 3 497 @ 0.7627	08-Feb-2019	141
Bought SEK 116 265 Sold CAD 17 047 @ 6.8201	11-Feb-2019	903
Bought JPY 132 263 Sold CAD 1 549 @ 85.3600	12-Feb-2019	102
Bought CAD 19 076 Sold RUB 967 105 @ 0.0197	25-Feb-2019	296
Bought NOK 239 661 Sold CAD 37 017 @ 6.4743	27-Feb-2019	869
Bought USD 273 Sold CAD 361 @ 0.7564	01-Mar-2019	11
Bought USD 885 Sold CAD 1 205 @ 0.7341	01-Mar-2019	1
Bought USD 27 823 Sold CAD 37 133 @ 0.7493	04-Mar-2019	792
Bought CAD 28 297 Sold AUD 29 144 @ 0.9709	11-Mar-2019	284
Bought SEK 137 183 Sold CAD 20 560 @ 6.6724	11-Mar-2019	654
Bought USD 500 Sold CAD 666 @ 0.7512	12-Mar-2019	16
Bought CAD 17 095 Sold AUD 17 776 @ 0.9617	14-Mar-2019	10
Bought PLN 49 187 Sold CAD 17 430 @ 2.8219	19-Mar-2019	513
Bought USD 105 Sold CAD 140 @ 0.7487	19-Mar-2019	3
Bought USD 700 Sold CAD 945 @ 0.7405	19-Mar-2019	9
Bought USD 775 Sold CAD 1 056 @ 0.7342	19-Mar-2019	1
		\$ 30 178

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 325 Sold EUR 1 491 @ 1.5599	02-Jan-2019	\$ (6)
Bought CAD 13 051 Sold USD 10 112 @ 1.2906	04-Jan-2019	(754)
Bought CAD 2 965 Sold USD 2 191 @ 1.3534	07-Jan-2019	(26)
Bought CAD 31 480 Sold JPY 2 728 655 @ 0.0115	08-Jan-2019	(2 510)
Bought CAD 46 635 Sold USD 36 039 @ 1.2940	08-Jan-2019	(2 558)
Bought CAD 12 790 Sold MXN 187 516 @ 0.0682	09-Jan-2019	(220)
Bought CAD 26 051 Sold USD 20 000 @ 1.3025	09-Jan-2019	(1 249)
Bought CAD 10 980 Sold DKK 54 943 @ 0.1999	09-Jan-2019	(535)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 965 Sold USD 1 500 @ 1.3100	09-Jan-2019	\$ (82)
Bought CAD 19 763 Sold PHP 806 711 @ 0.0245	09-Jan-2019	(1 182)
Bought CAD 4 912 Sold JPY 423 332 @ 0.0116	10-Jan-2019	(362)
Bought CAD 22 119 Sold PLN 64 118 @ 0.3450	10-Jan-2019	(1 270)
Bought CAD 22 425 Sold JPY 1 935 000 @ 0.0116	10-Jan-2019	(1 681)
Bought CAD 14 495 Sold SEK 97 800 @ 0.1482	11-Jan-2019	(577)
Bought CAD 78 484 Sold EUR 51 162 @ 1.5340	11-Jan-2019	(1 585)
Bought CAD 22 543 Sold USD 17 088 @ 1.3192	11-Jan-2019	(780)
Bought CAD 20 861 Sold USD 16 334 @ 1.2771	14-Jan-2019	(1 431)
Bought CAD 75 433 Sold EUR 50 000 @ 1.5087	14-Jan-2019	(2 832)
Bought CAD 7 585 Sold USD 5 840 @ 1.2987	14-Jan-2019	(386)
Bought CAD 5 729 Sold ZAR 64 025 @ 0.0895	14-Jan-2019	(335)
Bought CAD 6 701 Sold USD 5 000 @ 1.3402	14-Jan-2019	(123)
Bought CAD 35 393 Sold JPY 3 097 181 @ 0.0114	15-Jan-2019	(3 205)
Bought CAD 76 112 Sold EUR 50 000 @ 1.5222	15-Jan-2019	(2 158)
Bought CAD 37 818 Sold AUD 40 117 @ 0.9427	15-Jan-2019	(754)
Bought CAD 94 777 Sold EUR 63 579 @ 1.4907	16-Jan-2019	(4 756)
Bought CAD 43 483 Sold USD 33 500 @ 1.2980	16-Jan-2019	(2 234)
Bought CAD 255 Sold USD 195 @ 1.3086	16-Jan-2019	(11)
Bought CAD 3 507 Sold JPY 300 000 @ 0.0117	16-Jan-2019	(232)
Bought CAD 4 516 Sold EUR 3 000 @ 1.5054	16-Jan-2019	(180)
Bought CAD 4 633 Sold EUR 3 000 @ 1.5444	16-Jan-2019	(63)
Bought CAD 73 418 Sold USD 57 408 @ 1.2789	17-Jan-2019	(4 923)
Bought CAD 10 675 Sold DKK 53 024 @ 0.2013	17-Jan-2019	(444)
Bought CAD 17 803 Sold EUR 11 795 @ 1.5094	17-Jan-2019	(663)
Bought CAD 48 914 Sold JPY 4 182 600 @ 0.0117	17-Jan-2019	(3 218)
Bought CAD 75 365 Sold EUR 50 000 @ 1.5073	17-Jan-2019	(2 916)
Bought AUD 46 919 Sold CAD 45 138 @ 1.0394	18-Jan-2019	(27)
Bought CAD 37 750 Sold JPY 3 328 278 @ 0.0113	18-Jan-2019	(3 736)
Bought CAD 63 149 Sold USD 49 305 @ 1.2808	18-Jan-2019	(4 132)
Bought CAD 56 808 Sold DKK 284 655 @ 0.1996	18-Jan-2019	(2 891)
Bought CAD 65 936 Sold EUR 43 935 @ 1.5008	18-Jan-2019	(2 854)
Bought CAD 27 669 Sold AUD 29 815 @ 0.9280	18-Jan-2019	(997)
Bought CAD 12 112 Sold MXN 188 000 @ 0.0644	18-Jan-2019	(907)
Bought CAD 4 756 Sold USD 3 516 @ 1.3527	18-Jan-2019	(42)
Bought CAD 35 379 Sold JPY 3 130 308 @ 0.0113	22-Jan-2019	(3 651)
Bought CAD 56 625 Sold EUR 38 020 @ 1.4893	22-Jan-2019	(2 919)
Bought CAD 40 054 Sold USD 31 000 @ 1.2921	22-Jan-2019	(2 243)
Bought CAD 56 671 Sold GBP 33 321 @ 1.7008	22-Jan-2019	(1 340)
Bought CAD 54 997 Sold USD 42 254 @ 1.3016	22-Jan-2019	(2 655)
Bought CAD 19 746 Sold EUR 13 000 @ 1.5189	22-Jan-2019	(614)
Bought CAD 1 866 Sold CNY 10 030 @ 0.1861	22-Jan-2019	(126)
Bought CAD 4 149 Sold JPY 350 000 @ 0.0119	22-Jan-2019	(215)
Bought CAD 27 710 Sold USD 21 495 @ 1.2891	23-Jan-2019	(1 617)
Bought CAD 70 609 Sold EUR 47 168 @ 1.4970	23-Jan-2019	(3 267)
Bought CAD 38 439 Sold JPY 3 272 012 @ 0.0117	23-Jan-2019	(2 360)
Bought CAD 6 125 Sold SEK 41 984 @ 0.1459	23-Jan-2019	(350)
Bought CAD 1 699 Sold USD 1 300 @ 1.3069	23-Jan-2019	(75)
Bought CAD 2 356 Sold USD 1 785 @ 1.3201	23-Jan-2019	(79)
Bought CAD 8 629 Sold SEK 58 400 @ 0.1478	23-Jan-2019	(378)
Bought CAD 4 697 Sold USD 3 500 @ 1.3421	23-Jan-2019	(78)
Bought CAD 14 176 Sold JPY 1 210 000 @ 0.0117	24-Jan-2019	(913)
Bought CAD 11 941 Sold GBP 6 988 @ 1.7088	24-Jan-2019	(226)
Bought CAD 59 421 Sold EUR 39 454 @ 1.5061	24-Jan-2019	(2 377)

The accompanying notes are an integral part of the financial statements.



December 31, 2019

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 27 051 Sold JPY 2 304 500 @ 0.0117	24-Jan-2019	\$ (1 687)
Bought CAD 30 050 Sold USD 23 019 @ 1.3054	24-Jan-2019	(1 356)
Bought CAD 65 648 Sold USD 50 584 @ 1.2978	24-Jan-2019	(3 366)
Bought CAD 176 Sold DKK 874 @ 0.2013	24-Jan-2019	(7)
Bought CAD 2 637 Sold USD 2 000 @ 1.3184	24-Jan-2019	(92)
Bought CAD 2 114 Sold USD 1 600 @ 1.3214	24-Jan-2019	(69)
Bought CAD 42 892 Sold EUR 28 619 @ 1.4987	25-Jan-2019	(1 937)
Bought CAD 28 679 Sold USD 22 180 @ 1.2930	25-Jan-2019	(1 581)
Bought CAD 35 240 Sold JPY 3 041 200 @ 0.0116	25-Jan-2019	(2 686)
Bought CAD 374 Sold USD 288 @ 1.2981	25-Jan-2019	(19)
Bought CAD 124 892 Sold GBP 74 148 @ 1.6844	25-Jan-2019	(4 207)
Bought CAD 86 677 Sold EUR 57 946 @ 1.4958	25-Jan-2019	(4 092)
Bought CAD 4 035 Sold EUR 2 700 @ 1.4943	25-Jan-2019	(195)
Bought CAD 4 514 Sold EUR 3 000 @ 1.5045	25-Jan-2019	(186)
Bought CAD 267 Sold EUR 178 @ 1.5025	25-Jan-2019	(11)
Bought CAD 1 312 Sold USD 1 000 @ 1.3117	25-Jan-2019	(53)
Bought CAD 5 278 Sold EUR 3 500 @ 1.5079	25-Jan-2019	(205)
Bought CAD 4 107 Sold JPY 350 000 @ 0.0117	25-Jan-2019	(258)
Bought CAD 17 236 Sold DKK 85 630 @ 0.2013	28-Jan-2019	(736)
Bought CAD 31 540 Sold GBP 18 398 @ 1.7143	28-Jan-2019	(495)
Bought CAD 71 943 Sold EUR 47 534 @ 1.5135	28-Jan-2019	(2 531)
Bought CAD 71 319 Sold USD 54 576 @ 1.3068	28-Jan-2019	(3 133)
Bought CAD 5 869 Sold USD 4 395 @ 1.3355	28-Jan-2019	(126)
Bought CAD 5 277 Sold EUR 3 471 @ 1.5204	28-Jan-2019	(161)
Bought CAD 6 151 Sold JPY 518 587 @ 0.0119	28-Jan-2019	(317)
Bought CAD 1 116 Sold GBP 655 @ 1.7043	28-Jan-2019	(24)
Bought CAD 6 689 Sold USD 4 955 @ 1.3499	28-Jan-2019	(71)
Bought CAD 5 756 Sold EUR 3 707 @ 1.5528	28-Jan-2019	(52)
Bought CAD 6 583 Sold JPY 539 941 @ 0.0122	28-Jan-2019	(152)
Bought CAD 1 367 Sold GBP 797 @ 1.7156	28-Jan-2019	(20)
Bought CAD 5 711 Sold EUR 3 654 @ 1.5630	28-Jan-2019	(14)
Bought CAD 6 922 Sold JPY 556 863 @ 0.0124	28-Jan-2019	(24)
Bought CAD 67 418 Sold EUR 44 518 @ 1.5144	29-Jan-2019	(2 335)
Bought CAD 84 899 Sold USD 65 393 @ 1.2983	29-Jan-2019	(4 306)
Bought CAD 2 779 Sold USD 2 140 @ 1.2985	29-Jan-2019	(141)
Bought CAD 27 850 Sold USD 21 517 @ 1.2943	30-Jan-2019	(1 501)
Bought CAD 8 641 Sold GBP 5 046 @ 1.7124	31-Jan-2019	(146)
Bought CAD 80 962 Sold EUR 53 355 @ 1.5174	31-Jan-2019	(2 648)
Bought CAD 22 741 Sold USD 17 391 @ 1.3076	31-Jan-2019	(981)
Bought CAD 38 105 Sold MXN 572 954 @ 0.0665	31-Jan-2019	(1 464)
Bought CAD 33 617 Sold JPY 2 866 900 @ 0.0117	01-Feb-2019	(2 152)
Bought CAD 79 307 Sold EUR 52 400 @ 1.5135	01-Feb-2019	(2 810)
Bought CAD 913 Sold USD 700 @ 1.3048	01-Feb-2019	(41)
Bought CAD 28 697 Sold USD 21 990 @ 1.3050	01-Feb-2019	(1 298)
Bought CAD 38 445 Sold USD 29 448 @ 1.3055	04-Feb-2019	(1 720)
Bought CAD 37 022 Sold JPY 3 182 008 @ 0.0116	04-Feb-2019	(2 685)
Bought CAD 884 Sold USD 675 @ 1.3103	04-Feb-2019	(36)
Bought CAD 4 088 Sold USD 3 000 @ 1.3626	04-Feb-2019	(4)
Bought CAD 63 350 Sold USD 48 366 @ 1.3098	05-Feb-2019	(2 618)
Bought CAD 37 619 Sold HUF 8 153 600 @ 0.0046	05-Feb-2019	(2 168)
Bought CAD 29 046 Sold EUR 19 298 @ 1.5051	05-Feb-2019	(1 204)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 89 186 Sold EUR 58 562 @ 1.5229	05-Feb-2019	\$ (2 610)
Bought CAD 3 011 Sold EUR 2 000 @ 1.5054	05-Feb-2019	(124)
Bought CAD 90 858 Sold EUR 60 484 @ 1.5022	06-Feb-2019	(3 956)
Bought CAD 1 366 Sold DKK 6 789 @ 0.2012	06-Feb-2019	(60)
Bought CAD 48 073 Sold GBP 27 837 @ 1.7269	06-Feb-2019	(409)
Bought CAD 1 538 Sold JPY 131 112 @ 0.0117	06-Feb-2019	(98)
Bought CAD 39 151 Sold EUR 25 928 @ 1.5100	06-Feb-2019	(1 493)
Bought CAD 4 593 Sold EUR 3 000 @ 1.5311	06-Feb-2019	(110)
Bought CAD 24 230 Sold USD 18 132 @ 1.3363	06-Feb-2019	(500)
Bought CAD 63 882 Sold USD 48 749 @ 1.3104	07-Feb-2019	(2 604)
Bought CAD 16 935 Sold GBP 10 060 @ 1.6834	07-Feb-2019	(586)
Bought CAD 25 817 Sold USD 19 652 @ 1.3137	08-Feb-2019	(985)
Bought CAD 9 226 Sold JPY 790 761 @ 0.0117	08-Feb-2019	(644)
Bought CAD 6 035 Sold EUR 4 000 @ 1.5087	08-Feb-2019	(236)
Bought CAD 85 513 Sold USD 65 451 @ 1.3065	11-Feb-2019	(3 746)
Bought CAD 61 601 Sold EUR 40 857 @ 1.5077	11-Feb-2019	(2 464)
Bought CAD 17 544 Sold SEK 116 265 @ 0.1509	11-Feb-2019	(407)
Bought CAD 48 347 Sold JPY 4 144 642 @ 0.0117	12-Feb-2019	(3 394)
Bought CAD 1 979 Sold USD 14 057 @ 1.3089	12-Feb-2019	(771)
Bought CAD 2 656 Sold USD 2 000 @ 1.3281	12-Feb-2019	(71)
Bought CAD 1 712 Sold USD 1 300 @ 1.3168	12-Feb-2019	(61)
Bought CAD 88 093 Sold EUR 58 060 @ 1.5173	12-Feb-2019	(2 953)
Bought CAD 4 148 Sold JPY 340 000 @ 0.0122	12-Feb-2019	(96)
Bought CAD 18 699 Sold USD 14 300 @ 1.3076	13-Feb-2019	(802)
Bought CAD 1 979 Sold USD 1 500 @ 1.3197	13-Feb-2019	(66)
Bought CAD 36 825 Sold MXN 568 000 @ 0.0648	13-Feb-2019	(2 320)
Bought CAD 32 293 Sold MXN 494 072 @ 0.0654	13-Feb-2019	(1 757)
Bought CAD 66 821 Sold USD 51 062 @ 1.3086	14-Feb-2019	(2 810)
Bought CAD 82 987 Sold EUR 55 260 @ 1.5018	14-Feb-2019	(3 678)
Bought CAD 4 662 Sold USD 3 500 @ 1.3321	14-Feb-2019	(111)
Bought CAD 29 352 Sold USD 22 200 @ 1.3222	19-Feb-2019	(918)
Bought CAD 21 641 Sold USD 16 200 @ 1.3358	19-Feb-2019	(448)
Bought CAD 3 712 Sold USD 2 778 @ 1.3361	19-Feb-2019	(76)
Bought CAD 90 899 Sold EUR 59 000 @ 1.5407	19-Feb-2019	(1 657)
Bought CAD 32 700 Sold JPY 2 786 242 @ 0.0117	20-Feb-2019	(2 097)
Bought CAD 95 453 Sold EUR 63 037 @ 1.5142	20-Feb-2019	(3 442)
Bought CAD 95 497 Sold EUR 63 265 @ 1.5095	21-Feb-2019	(3 761)
Bought CAD 10 546 Sold GBP 6 109 @ 1.7263	21-Feb-2019	(98)
Bought CAD 31 408 Sold USD 23 926 @ 1.3127	21-Feb-2019	(1 214)
Bought CAD 15 355 Sold JPY 1 300 000 @ 0.0118	21-Feb-2019	(882)
Bought CAD 3 607 Sold JPY 300 000 @ 0.0120	21-Feb-2019	(140)
Bought CAD 39 929 Sold GBP 23 434 @ 1.7039	22-Feb-2019	(901)
Bought CAD 41 370 Sold JPY 3 510 320 @ 0.0118	22-Feb-2019	(2 474)
Bought CAD 53 250 Sold EUR 35 277 @ 1.5095	22-Feb-2019	(2 100)
Bought CAD 7 561 Sold EUR 5 000 @ 1.5121	22-Feb-2019	(285)
Bought CAD 70 914 Sold EUR 46 911 @ 1.5117	25-Feb-2019	(2 703)
Bought CAD 31 820 Sold USD 24 174 @ 1.3163	25-Feb-2019	(1 138)
Bought CAD 9 586 Sold SEK 65 530 @ 0.1463	25-Feb-2019	(539)
Bought CAD 3 076 Sold USD 2 300 @ 1.3373	25-Feb-2019	(60)
Bought RUB 967 105 Sold CAD 19 151 @ 50.5000	25-Feb-2019	(370)
Bought CAD 32 635 Sold USD 24 625 @ 1.3253	26-Feb-2019	(937)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 3 257 Sold AUD 3 405 @ 0.9567	26-Feb-2019	\$ (16)
Bought CAD 23 622 Sold GBP 13 877 @ 1.7022	26-Feb-2019	(558)
Bought CAD 30 949 Sold JPY 2 609 000 @ 0.0119	26-Feb-2019	(1 645)
Bought CAD 83 380 Sold USD 63 177 @ 1.3198	27-Feb-2019	(2 749)
Bought CAD 28 086 Sold GBP 16 530 @ 1.6991	28-Feb-2019	(719)
Bought CAD 28 374 Sold GBP 16 742 @ 1.6948	01-Mar-2019	(800)
Bought CAD 64 567 Sold EUR 42 689 @ 1.5125	01-Mar-2019	(2 440)
Bought CAD 5 932 Sold USD 4 500 @ 1.3181	01-Mar-2019	(203)
Bought CAD 2 192 Sold USD 1 651 @ 1.3275	04-Mar-2019	(59)
Bought CAD 32 839 Sold JPY 2 789 000 @ 0.0118	04-Mar-2019	(2 016)
Bought CAD 10 608 Sold USD 8 000 @ 1.3260	04-Mar-2019	(297)
Bought CAD 1 984 Sold EUR 1 300 @ 1.5259	04-Mar-2019	(57)
Bought CAD 10 275 Sold USD 7 700 @ 1.3345	04-Mar-2019	(221)
Bought CAD 7 016 Sold EUR 4 500 @ 1.5592	04-Mar-2019	(49)
Bought CAD 2 444 Sold USD 1 800 @ 1.3579	04-Mar-2019	(9)
Bought CAD 51 034 Sold EUR 33 600 @ 1.5189	05-Mar-2019	(1 720)
Bought CAD 19 578 Sold USD 14 667 @ 1.3349	05-Mar-2019	(415)
Bought CAD 31 814 Sold JPY 2 677 315 @ 0.0119	05-Mar-2019	(1 647)
Bought CAD 6 103 Sold EUR 4 000 @ 1.5257	05-Mar-2019	(177)
Bought CAD 39 749 Sold USD 30 000 @ 1.3250	06-Mar-2019	(1 145)
Bought CAD 43 939 Sold EUR 29 138 @ 1.5080	06-Mar-2019	(1 812)
Bought CAD 10 401 Sold GBP 6 051 @ 1.7190	06-Mar-2019	(145)
Bought CAD 31 486 Sold JPY 2 628 602 @ 0.0120	06-Mar-2019	(1 369)
Bought CAD 933 Sold AUD 972 @ 0.9595	06-Mar-2019	(2)
Bought CAD 5 042 Sold GBP 3 000 @ 1.6805	06-Mar-2019	(187)
Bought CAD 59 127 Sold USD 44 555 @ 1.3271	07-Mar-2019	(1 605)
Bought CAD 83 380 Sold EUR 55 313 @ 1.5074	07-Mar-2019	(3 476)
Bought CAD 40 808 Sold USD 30 970 @ 1.3177	08-Mar-2019	(1 406)
Bought CAD 28 626 Sold JPY 2 425 941 @ 0.0118	08-Mar-2019	(1 701)
Bought CAD 33 789 Sold EUR 22 125 @ 1.5272	08-Mar-2019	(955)
Bought CAD 45 730 Sold JPY 3 872 100 @ 0.0118	11-Mar-2019	(2 686)
Bought CAD 71 079 Sold USD 53 541 @ 1.3276	11-Mar-2019	(1 896)
Bought CAD 20 567 Sold SEK 137 183 @ 0.1499	11-Mar-2019	(647)
Bought CAD 15 919 Sold USD 12 056 @ 1.3204	12-Mar-2019	(513)
Bought CAD 59 264 Sold EUR 38 602 @ 1.5353	12-Mar-2019	(1 371)
Bought CAD 41 058 Sold GBP 24 283 @ 1.6908	12-Mar-2019	(1 270)
Bought CAD 36 248 Sold JPY 3 041 271 @ 0.0119	12-Mar-2019	(1 781)
Bought CAD 89 379 Sold EUR 58 633 @ 1.5244	13-Mar-2019	(2 727)
Bought CAD 16 118 Sold EUR 10 534 @ 1.5301	14-Mar-2019	(430)
Bought CAD 71 440 Sold USD 53 520 @ 1.3348	14-Mar-2019	(1 501)
Bought CAD 85 024 Sold USD 63 569 @ 1.3375	15-Mar-2019	(1 611)
Bought CAD 77 890 Sold EUR 51 072 @ 1.5251	15-Mar-2019	(2 349)
Bought CAD 33 291 Sold USD 24 754 @ 1.3449	15-Mar-2019	(445)
Bought CAD 59 575 Sold EUR 39 000 @ 1.5276	18-Mar-2019	(1 710)
Bought CAD 3 568 Sold GBP 2 106 @ 1.6941	18-Mar-2019	(104)
Bought CAD 2 460 Sold GBP 1 460 @ 1.6846	19-Mar-2019	(86)
Bought CAD 31 047 Sold USD 23 208 @ 1.3378	19-Mar-2019	(580)
Bought CAD 3 290 Sold USD 2 460 @ 1.3372	19-Mar-2019	(63)
Bought CAD 17 554 Sold PLN 49 187 @ 0.3569	19-Mar-2019	(390)
Bought CAD 8 833 Sold USD 6 570 @ 1.3444	19-Mar-2019	(120)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 42 984 Sold USD 32 275 @ 1.3318	20-Mar-2019	\$ (999)
Bought CAD 84 782 Sold EUR 55 557 @ 1.5260	21-Mar-2019	(2 538)
Bought CAD 30 087 Sold AUD 31 396 @ 0.9583	21-Mar-2019	(88)
Bought CAD 85 725 Sold USD 63 945 @ 1.3406	21-Mar-2019	(1 413)
Bought CAD 71 060 Sold EUR 46 568 @ 1.5259	22-Mar-2019	(2 138)
Bought CAD 69 266 Sold USD 51 840 @ 1.3362	22-Mar-2019	(1 375)
Bought CAD 45 579 Sold USD 34 000 @ 1.3406	22-Mar-2019	(752)
Bought CAD 47 042 Sold USD 35 000 @ 1.3441	25-Mar-2019	(648)
Bought CAD 48 769 Sold USD 36 162 @ 1.3486	25-Mar-2019	(505)
		<u>\$ (275 929)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (245 751)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 2.09% to 2.28% and mature between January 2, 2019 and January 24, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 7 910 841	\$ 6 761 057
Cash	3 146	913
Due from investment dealers	2 331	—
Subscriptions receivable	4 176	6 636
Unrealized gain on futures contracts	10 789	—
Futures contracts margin receivable	—	2 124
Unrealized gain on foreign exchange contracts	30 178	51 761
Dividends receivable, interest accrued and other assets	45 927	37 428
TOTAL ASSETS	8 007 388	6 859 919
LIABILITIES		
Due to investment dealers	40 369	—
Redemptions payable	10 509	1 450
Payable on open swap contracts	—	809
Unrealized loss on futures contracts	—	742
Futures contracts margin payable	9 640	—
Unrealized loss on foreign exchange contracts	275 929	36 707
Distributions payable	5	—
Accounts payable and accrued expenses	721	622
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	337 173	40 330
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 7 670 215	\$ 6 819 589
Investments at cost	\$ 7 653 501	\$ 6 815 694
NAV		
SERIES A	\$ 106 828	\$ 120 719
ADVISOR SERIES	\$ 27 617	\$ 26 489
SERIES D	\$ 17 768	\$ 14 903
SERIES F	\$ 616 798	\$ 422 304
SERIES I	\$ 46 489	\$ 61 751
SERIES O	\$ 6 854 715	\$ 6 173 423
NAV PER UNIT		
SERIES A	\$ 10.65	\$ 10.58
ADVISOR SERIES	\$ 10.90	\$ 10.83
SERIES D	\$ 10.76	\$ 10.69
SERIES F	\$ 11.17	\$ 11.10
SERIES I	\$ 11.17	\$ 11.10
SERIES O	\$ 10.96	\$ 10.89

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ —	\$ 319
Interest for distribution purposes	136 885	110 401
Interest expense	(235)	(468)
Income from investment trusts	12 565	20 392
Derivative income	7 516	85 512
Net realized gain (loss) on investments	(3 270)	24 541
Change in unrealized gain (loss) on investments	51 981	(57 430)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	205 442	183 267
Other income (loss)	42	—
Securities lending revenue (see note 7 in the generic notes)	1 777	1 662
Net gain (loss) on foreign cash balances	(5 765)	1 667
TOTAL OTHER INCOME (LOSS)	(3 946)	3 329
TOTAL INCOME (LOSS)	201 496	186 596
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 305	4 798
Administration fees	1 744	1 511
Independent Review Committee costs	2	3
GST/HST	770	685
Transaction costs	3	—
Withholding tax	200	43
TOTAL EXPENSES	8 024	7 040
INCREASE (DECREASE) IN NAV	\$ 193 472	\$ 179 556
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 020	\$ 1 659
ADVISOR SERIES	\$ 302	\$ 415
SERIES D	\$ 280	\$ 307
SERIES F	\$ 11 463	\$ 8 120
SERIES I	\$ 945	\$ 1 610
SERIES O	\$ 179 462	\$ 167 445
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.10	\$ 0.14
ADVISOR SERIES	\$ 0.13	\$ 0.15
SERIES D	\$ 0.20	\$ 0.23
SERIES F	\$ 0.25	\$ 0.25
SERIES I	\$ 0.19	\$ 0.26
SERIES O	\$ 0.29	\$ 0.33

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 193 472	\$ 179 556
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	(304)
Non-cash distributions from underlying funds	(12 245)	(20 392)
Net realized loss (gain) on investments	4 850	(24 590)
Change in unrealized loss (gain) on investments	(51 981)	57 430
(Increase) decrease in accrued receivables	(19 288)	(9 839)
Increase (decrease) in accrued payables	(643)	226
(Increase) decrease in margin accounts	11 764	(806)
Cost of investments purchased	(12 730 798)	(11 833 995)
Proceeds from sale and maturity of investments	11 938 424	10 509 009
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(666 445)	(1 143 705)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 651 274	1 613 090
Cash paid on redemption of redeemable units	(959 170)	(436 226)
Distributions paid to holders of redeemable units	(23 426)	(32 720)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 668 678	\$ 1 144 144
Net increase (decrease) in cash for the period	2 233	439
Cash (bank overdraft), beginning of period	913	474
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 3 146	\$ 913
Interest received (paid)	\$ 127 916	\$ 99 322
Dividends received, net of withholding taxes	\$ —	\$ 276

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 120 719	\$ 127 932	\$ 26 489	\$ 33 524	\$ 14 903	\$ 14 348	\$ 422 304	\$ 305 543
INCREASE (DECREASE) IN NAV	1 020	1 659	302	415	280	307	11 463	8 120
Early redemption fees	—	1	—	—	—	—	13	3
Proceeds from redeemable units issued	13 928	22 274	9 942	7 954	6 676	4 586	473 240	260 056
Reinvestments of distributions to holders of redeemable units	417	3 332	101	693	169	541	3 152	7 736
Redemption of redeemable units	(28 812)	(30 911)	(9 101)	(15 298)	(4 081)	(4 324)	(286 443)	(143 597)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(14 467)	(5 304)	942	(6 651)	2 764	803	189 962	124 198
Distributions from net income	(444)	(572)	(116)	(141)	(179)	(175)	(6 931)	(5 022)
Distributions from net gains	—	(2 996)	—	(658)	—	(380)	—	(10 535)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(444)	(3 568)	(116)	(799)	(179)	(555)	(6 931)	(15 557)
NET INCREASE (DECREASE) IN NAV	(13 891)	(7 213)	1 128	(7 035)	2 865	555	194 494	116 761
NAV AT END OF PERIOD	\$ 106 828	\$ 120 719	\$ 27 617	\$ 26 489	\$ 17 768	\$ 14 903	\$ 616 798	\$ 422 304

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 61 751	\$ 78 150	\$ 6 173 423	\$ 4 937 352	\$ 6 819 589	\$ 5 496 849
INCREASE (DECREASE) IN NAV	945	1 610	179 462	167 445	193 472	179 556
Early redemption fees	—	—	—	—	13	4
Proceeds from redeemable units issued	10 045	4 199	1 161 358	1 334 666	1 675 189	1 633 735
Reinvestments of distributions to holders of redeemable units	276	1 023	114 629	247 354	118 744	260 679
Redemption of redeemable units	(25 761)	(20 684)	(640 419)	(243 022)	(994 617)	(457 836)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(15 440)	(15 462)	635 568	1 338 998	799 329	1 436 582
Distributions from net income	(767)	(969)	(133 738)	(117 607)	(142 175)	(124 486)
Distributions from net gains	—	(1 578)	—	(152 765)	—	(168 912)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(767)	(2 547)	(133 738)	(270 372)	(142 175)	(293 398)
NET INCREASE (DECREASE) IN NAV	(15 262)	(16 399)	681 292	1 236 071	850 626	1 322 740
NAV AT END OF PERIOD	\$ 46 489	\$ 61 751	\$ 6 854 715	\$ 6 173 423	\$ 7 670 215	\$ 6 819 589

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide above-average long-term total returns, consisting of interest income and some capital growth in world fixed-income markets.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	48.7	46.2
AA	6.6	7.7
A	26.2	26.7
BBB	14.9	15.2
BB	2.1	2.2
B	1.2	1.5
CCC	0.1	0.2
Unrated	0.2	0.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	20.9	22.0
Japan	11.4	11.2
Italy	9.2	9.6
Spain	8.9	8.8
France	8.4	4.6
Canada	5.9	11.6
United Kingdom	5.8	5.1
Income Funds	4.9	5.2
Germany	4.1	3.2
Mexico	1.4	0.9
Other Countries	11.4	10.3
Cash/Other	7.7	7.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	2.3	1.1
1 – 5 years	41.4	43.6
5 – 10 years	23.7	29.8
> 10 years	32.6	25.5
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.9% (December 31, 2017 – 7.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Brazilian real	0.7	0.5
Norwegian krone	0.5	0.5
United States dollar	0.3	2.1
Japanese yen	0.3	1.0
Australian dollar	0.1	–
Mexican peso	–	0.9
Russian ruble	–	0.5
Other currencies	–	1.0
Total	1.9	6.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.1% (December 31, 2017 – 0.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	373 436	–	–	373 436
Fixed-income				
and debt securities	–	6 708 646	–	6 708 646
Short-term investments	–	828 759	–	828 759
Derivatives – assets	10 789	30 178	–	40 967
Derivatives – liabilities	–	(275 929)	–	(275 929)
Total financial instruments	384 225	7 291 654	–	7 675 879
% of total portfolio	5.0	95.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	356 264	–	–	356 264
Fixed-income				
and debt securities	–	5 962 716	–	5 962 716
Short-term investments	–	442 077	–	442 077
Derivatives – assets	–	51 761	–	51 761
Derivatives – liabilities	(742)	(37 516)	–	(38 258)
Total financial instruments	355 522	6 419 038	–	6 774 560
% of total portfolio	5.2	94.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.35%	0.10%
Advisor Series	1.35%	0.05%
Series D	0.75%	0.05%
Series F	0.60%	0.05%
Series I	0.50%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets				
Corporate Bond Fund	2.5	27.1	2.7	20.4
RBC Emerging Markets				
Foreign Exchange Fund	2.3	17.0	2.4	21.7

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares iBoxx \$ High Yield				
Corporate Bond Fund	0.1	–	0.1	–

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	7 051
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	11 410	11 893
Issued number of units	1 326	2 063
Reinvested number of units	39	314
Redeemed number of units	(2 740)	(2 860)
Ending number of units	10 035	11 410
Advisor Series		
Opening units	2 446	3 045
Issued number of units	925	718
Reinvested number of units	9	64
Redeemed number of units	(846)	(1 381)
Ending number of units	2 534	2 446



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	1 394	1 319
Issued number of units	626	421
Reinvested number of units	16	50
Redeemed number of units	(384)	(396)
Ending number of units	1 652	1 394
Series F		
Opening units	38 054	27 071
Issued number of units	42 886	22 929
Reinvested number of units	284	693
Redeemed number of units	(25 997)	(12 639)
Ending number of units	55 227	38 054
Series I		
Opening units	5 565	6 928
Issued number of units	910	369
Reinvested number of units	25	92
Redeemed number of units	(2 336)	(1 824)
Ending number of units	4 164	5 565
Series O		
Opening units	567 094	446 088
Issued number of units	107 240	120 193
Reinvested number of units	10 546	22 594
Redeemed number of units	(59 239)	(21 781)
Ending number of units	625 641	567 094

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	3	100	—	—
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 738 286	2 274 604
Fair value of collateral received	2 793 052	2 320 211

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2 373	100	2 331	100
RBC IS (paid)	(588)	(25)	(665)	(29)
Tax withheld	(8)	—	(4)	—
Fund revenue	1 777	75	1 662	71

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Conservative Bond Pool	0.1	—
RBC Core Bond Pool	0.4	—
RBC Core Plus Bond Pool	1.1	—
RBC Global Bond & Currency Fund	0.1	—
RBC Global Growth & Income Fund	0.4	0.2
RBC Retirement 2020 Portfolio	—	—
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Retirement Income Solution	—	—
RBC Select Balanced Portfolio	16.8	16.1
RBC Select Choices Balanced Portfolio	0.1	—
RBC Select Choices Conservative Portfolio	0.1	—
RBC Select Choices Growth Portfolio	0.1	—
RBC Select Conservative Portfolio	26.3	26.4
RBC Select Growth Portfolio	4.5	4.3
RBC Select Very Conservative Portfolio	18.9	21.3
RBC Target 2020 Education Fund	1.1	2.0
RBC Target 2025 Education Fund	0.9	0.5
Total	70.9	70.8



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	40 967	(275 929)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	40 967	(275 929)
Related amounts not set-off	(30 178)	30 178
Collateral (received) pledged	(9 640)	55 295
Net amount	1 149	(190 456)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	51 761	(37 449)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	51 761	(37 449)
Related amounts not set-off	(29 668)	29 668
Collateral (received) pledged	(5 136)	4 153
Net amount	16 957	(3 628)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL BOND & CURRENCY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
449 642	RBC Emerging Markets Foreign Exchange Fund*	\$ 4 647	\$ 4 765	
419 536	RBC Global Bond Fund*	4 550	4 599	
TOTAL UNDERLYING FUNDS		<u>\$ 9 197</u>	9 364	99.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			69	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 9 433</u>	100.0

* Investment in related party (see note 8 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 9 364
Cash	95
Subscriptions receivable	1
TOTAL ASSETS	9 460
LIABILITIES	
Redemptions payable	18
Accounts payable and accrued expenses	9
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF	
REDEEMABLE UNITS	27
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 9 433
Investments at cost	\$ 9 197
NAV	
SERIES A	\$ 614
ADVISOR SERIES	\$ 230
SERIES D	\$ 310
SERIES F	\$ 8 277
SERIES O	\$ 2
NAV PER UNIT	
SERIES A	\$ 10.20
ADVISOR SERIES	\$ 10.20
SERIES D	\$ 10.22
SERIES F	\$ 10.23
SERIES O	\$ 10.25

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 1
Income from investment trusts	302
Derivative income	1
Net realized gain (loss) on investments	(597)
Change in unrealized gain (loss) on investments	167
TOTAL NET GAIN (LOSS) ON	
INVESTMENTS AND DERIVATIVES	(126)
TOTAL INCOME (LOSS)	(126)
EXPENSES (see notes – Fund Specific Information)	
Management fees	128
Administration fees	11
Independent Review Committee costs	2
GST/HST	18
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	157
INCREASE (DECREASE) IN NAV	\$ (283)
INCREASE (DECREASE) IN NAV	
SERIES A	\$ 13
ADVISOR SERIES	\$ 4
SERIES D	\$ 9
SERIES F	\$ (310)
SERIES O	\$ 1
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ 0.37
ADVISOR SERIES	\$ 0.25
SERIES D	\$ 0.67
SERIES F	\$ (0.17)
SERIES O	\$ 0.09



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (283)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes –

Non-cash distributions from underlying funds (302)

Net realized loss (gain) on investments 597

Change in unrealized loss (gain) on investments (167)

(Increase) decrease in accrued receivables –

Increase (decrease) in accrued payables 9

(Increase) decrease in margin accounts –

Cost of investments purchased (92 300)

Proceeds from sale and maturity of investments 82 808

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (9 638)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 36 300

Cash paid on redemption of redeemable units (26 483)

Distributions paid to holders of redeemable units (84)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 9 733

Net increase (decrease) in cash for the period 95

Cash (bank overdraft), beginning of period –

CASH (BANK OVERDRAFT), END OF PERIOD \$ 95

Interest received (paid) \$ 1

Dividends received, net of withholding taxes \$ –



Statement of Changes in NAV (in \$000s)

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	13	4	9	(310)
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	697	246	383	34 829
Reinvestments of distributions to holders of redeemable units	—	—	—	67
Redemption of redeemable units	(96)	(20)	(82)	(26 158)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	601	226	301	8 738
Distributions from net income	—	—	—	(151)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	(151)
NET INCREASE (DECREASE) IN NAV	614	230	310	8 277
NAV AT END OF PERIOD	\$ 614	\$ 230	\$ 310	\$ 8 277

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	1	(283)
Early redemption fees	—	—
Proceeds from redeemable units issued	146	36 301
Reinvestments of distributions to holders of redeemable units	1	68
Redemption of redeemable units	(145)	(26 501)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2	9 868
Distributions from net income	(1)	(152)
Distributions from net gains	—	—
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1)	(152)
NET INCREASE (DECREASE) IN NAV	2	9 433
NAV AT END OF PERIOD	\$ 2	\$ 9 433

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 like the World Bank.

The Fund was started January 17, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018
AAA	48.7
AA	6.6
A	26.2
BBB	14.9
BB	2.1
B	1.2
CCC	0.1
Unrated	0.2
Total	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018
Underlying Funds	99.3
Cash/Other	0.7
Total	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 48.7% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018
Less than 1 year	2.3
1 – 5 years	41.4
5 – 10 years	23.7
> 10 years	32.6
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.8%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018
Mexican peso	5.2
Chinese renminbi	4.8
South Korean won	4.7
Indian rupee	4.3
Singapore dollar	3.5
Russian ruble	3.3
Brazilian real	2.7
Thailand baht	2.5
Turkish new lira	2.4
Polish zloty	2.4
Malaysian ringgit	2.2
Indonesian rupiah	2.1
New Taiwan dollar	1.6
Czech koruna	1.6
South African rand	1.2
Peruvian nuevo sol	1.2
Chilean peso	0.9
Argentinian peso	0.8
Hungarian forint	0.8
Romanian leu	0.7
Philippine peso	0.6
Israeli new shekel	0.5
Japanese yen	0.5
Colombian peso	0.5
Other currencies	0.7
Total	51.7

Please see the generic notes at the back of the financial statements.



December 31, 2018

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	9 364	–	–	9 364
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	9 364	–	–	9 364
% of total portfolio	100.0	–	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.45%	0.05%
Advisor Series	1.45%	0.05%
Series D	0.95%	0.05%
Series F	0.70%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
((\$000s except unit amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	100
Advisor Series	100
Series D	101
Series F	101
Series O	185
Value of all units	6

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
RBC Emerging Markets		
Foreign Exchange Fund	50.5	0.5
RBC Global Bond Fund	48.8	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	519
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Series A	
Opening units	–
Issued number of units	70
Reinvested number of units	–
Redeemed number of units	(10)
Ending number of units	60



December 31, 2018

For the period ended December 31
(see note 2 in the generic notes)

2018

Advisor Series

Opening units	–
Issued number of units	25
Reinvested number of units	–
Redeemed number of units	(2)
Ending number of units	23

Series D

Opening units	–
Issued number of units	38
Reinvested number of units	–
Redeemed number of units	(8)
Ending number of units	30

Series F

Opening units	–
Issued number of units	3 473
Reinvested number of units	7
Redeemed number of units	(2 671)
Ending number of units	809

Series O

Opening units	–
Issued number of units	15
Reinvested number of units	–
Redeemed number of units	(15)
Ending number of units	–



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. INVESTMENT GRADE CORPORATE BOND FUND

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
250	Australia & New Zealand Banking Group Ltd. USD	2.625	09-Nov-2022	\$ 250	\$ 243	
750	Australia & New Zealand Banking Group Ltd. USD	4.400	19-May-2026	768	727	
725	Westpac Banking Corp. USD	4.322	23-Nov-2031	725	686	
				1 743	1 656	1.1
Canada						
900	Nutrien Ltd. USD	3.625	15-Mar-2024	875	875	
				875	875	0.6
France						
1 100	AXA S.A. USD	8.600	15-Dec-2030	1 419	1 364	
800	BNP Paribas S.A. USD	2.950	23-May-2022	799	772	
1 000	Credit Agricole S.A. USD	3.250	04-Oct-2024	996	936	
				3 214	3 072	2.1
Germany						
750	EMD Finance LLC USD	2.950	19-Mar-2022	749	739	
				749	739	0.5
Ireland						
350	Shire Acquisitions Investments Ireland DAC USD	2.400	23-Sep-2021	348	339	
345	Shire Acquisitions Investments Ireland DAC USD	2.875	23-Sep-2023	342	326	
				690	665	0.5
Japan						
600	Takeda Pharmaceutical Co. Ltd. USD	4.000	26-Nov-2021	600	609	
				600	609	0.4
Netherlands						
1 750	Cooperatieve Rabobank U.A. USD	4.375	04-Aug-2025	1 792	1 722	
1 250	ING Groep N.V. USD	3.150	29-Mar-2022	1 248	1 230	
300	NXP BV USD	4.875	01-Mar-2024	300	302	
900	NXP BV USD	5.550	01-Dec-2028	898	923	
				4 238	4 177	2.9
Sweden						
1 000	Nordea Bank AB USD	2.125	29-May-2020	990	985	
				990	985	0.7
Switzerland						
600	Credit Suisse USD	5.400	14-Jan-2020	658	609	
500	Credit Suisse Group AG USD	3.869	12-Jan-2029	500	466	
1 250	Credit Suisse Group Funding Guernsey Ltd. USD	3.125	10-Dec-2020	1 277	1 238	
250	Credit Suisse Group Funding Guernsey Ltd. USD	3.800	15-Sep-2022	256	248	
				2 691	2 561	1.7
United Kingdom						
1 000	Barclays Plc. USD	3.200	10-Aug-2021	996	972	
500	Barclays Plc. USD	4.375	12-Jan-2026	498	476	
1 000	HSBC Holdings Plc. USD	3.600	25-May-2023	1 000	995	
600	HSBC Holdings Plc. USD	3.950	18-May-2024	600	597	
1 500	Lloyds Banking Group Plc. USD	2.907	07-Nov-2023	1 500	1 420	
675	Lloyds Banking Group Plc. USD	4.450	08-May-2025	675	671	
250	Reckitt Benckiser Treasury Services Plc. USD	2.375	24-Jun-2022	250	240	
500	Reckitt Benckiser Treasury Services Plc. USD	2.750	26-Jun-2024	499	473	
525	Vodafone Group Plc. USD	4.125	30-May-2025	520	520	
				6 538	6 364	4.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States						
450	21st Century Fox America Inc.	7.300	30-Apr-2028	\$ 548	\$ 568	
100	21st Century Fox America Inc.	6.150	01-Mar-2037	118	124	
800	21st Century Fox America Inc.	6.150	15-Feb-2041	946	999	
100	Actavis Funding SCS	3.450	15-Mar-2022	102	99	
450	Actavis Inc.	3.250	01-Oct-2022	442	440	
1 100	American Express Co.	2.500	01-Aug-2022	1 099	1 063	
525	American Tower Corp.	3.000	15-Jun-2023	524	506	
600	American Tower Corp. Real Estate Investment Trust	4.700	15-Mar-2022	626	617	
750	Amgen Inc.	2.650	11-May-2022	748	733	
250	Amgen Inc.	4.400	01-May-2045	254	235	
750	Anadarko Petroleum Corp.	8.700	15-Mar-2019	943	758	
1 000	Anadarko Petroleum Corp.	5.550	15-Mar-2026	1 113	1 049	
250	Anheuser-Busch InBev Finance Inc.	3.300	01-Feb-2023	260	244	
800	Anheuser-Busch InBev Worldwide Inc.	3.650	01-Feb-2026	809	757	
500	Anheuser-Busch InBev Worldwide Inc.	4.700	01-Feb-2036	496	467	
1 025	Anheuser-Busch InBev Worldwide Inc.	4.900	01-Feb-2046	1 061	954	
400	Anheuser-Busch InBev Worldwide Inc.	4.600	15-Apr-2048	398	360	
312	Anheuser-Busch InBev Worldwide Inc.	4.439	06-Oct-2048	276	271	
100	Anthem Inc.	3.650	01-Dec-2027	100	96	
958	Apache Corp.	3.250	15-Apr-2022	976	939	
1 350	Appalachian Power Co.	7.000	01-Apr-2038	1 871	1 704	
600	Apple Inc.	4.375	13-May-2045	626	612	
1 050	Apple Inc.	4.650	23-Feb-2046	1 091	1 114	
500	Apple Inc.	4.250	09-Feb-2047	505	500	
750	AT&T Inc.	5.000	01-Mar-2021	816	776	
600	AT&T Inc.	3.600	17-Feb-2023	624	597	
1 350	AT&T Inc.	5.250	01-Mar-2037	1 372	1 331	
550	AT&T Inc.	5.650	15-Feb-2047	654	552	
550	AT&T Inc.	5.450	01-Mar-2047	549	540	
900	Avangrid Inc.	3.150	01-Dec-2024	898	870	
1 500	Bank of America Corp.	2.503	21-Oct-2022	1 500	1 445	
250	Bank of America Corp.	3.307	23-Jul-2024	250	246	
1 800	Bank of America Corp.	3.875	01-Aug-2025	1 814	1 783	
1 500	Bank of America Corp.	3.093	01-Oct-2025	1 500	1 423	
500	Bayer US Finance II LLC	4.250	15-Dec-2025	499	488	
725	Becton Dickinson and Co.	2.881	29-Dec-2020	725	718	
500	Becton Dickinson and Co.	2.894	06-Jun-2022	501	485	
150	Becton Dickinson and Co.	3.734	15-Dec-2024	154	145	
950	Becton Dickinson and Co.	4.685	15-Dec-2044	966	894	
225	Becton Dickinson and Co.	4.669	06-Jun-2047	225	213	
600	Berkshire Hathaway Energy Co.	3.800	15-Jul-2048	595	541	
750	Berkshire Hathaway Finance Corp.	4.200	15-Aug-2048	746	748	
1 225	BP Capital Markets America Inc.	3.224	14-Apr-2024	1 227	1 200	
500	BP Capital Markets America Inc.	3.119	04-May-2026	497	476	
1 645	Broadcom Corp.	3.625	15-Jan-2024	1 599	1 558	
500	Burlington Northern Santa Fe LLC	5.750	01-May-2040	612	587	
1 350	Celgene Corp.	2.875	19-Feb-2021	1 349	1 337	
1 000	CenterPoint Energy Inc.	2.500	01-Sep-2022	1 000	957	
1 000	CenterPoint Energy Resources Corp.	4.100	01-Sep-2047	1 025	931	
625	Church & Dwight Co. Inc.	2.450	01-Aug-2022	624	605	
850	Citigroup Inc.	2.700	30-Mar-2021	852	837	
800	Citigroup Inc.	3.300	27-Apr-2025	799	761	
1 750	Citigroup Inc.	3.200	21-Oct-2026	1 729	1 618	
1 000	Citigroup Inc.	3.668	24-Jul-2028	1 000	946	
900	Citigroup Inc.	3.520	27-Oct-2028	900	841	
875	Comcast Corp.	4.250	15-Jan-2033	851	871	
150	Comcast Corp.	6.500	15-Nov-2035	198	180	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
200	Comcast Corp.	6.400	15-May-2038	\$ 249	\$ 235	
475	Comcast Corp.	4.600	15-Oct-2038	475	481	
775	Comcast Corp.	4.700	15-Oct-2048	774	790	
850	Concho Resources Inc.	4.300	15-Aug-2028	847	834	
1 100	ConocoPhillips	5.900	15-Oct-2032	1 308	1 299	
1 300	ConocoPhillips Holding Co.	6.950	15-Apr-2029	1 691	1 610	
500	Consolidated Edison Company of New York Inc.	5.500	01-Dec-2039	600	567	
600	CVS Health Corp.	4.125	15-May-2021	635	607	
1 145	CVS Health Corp.	4.780	25-Mar-2038	1 122	1 102	
550	CVS Health Corp.	5.050	25-Mar-2048	547	537	
1 615	Delta Air Lines Inc.	2.875	13-Mar-2020	1 613	1 605	
200	Diamond 1 Finance Corp.	4.420	15-Jun-2021	200	200	
350	Discovery Communications LLC	2.950	20-Mar-2023	347	335	
725	Discovery Communications LLC	5.000	20-Sep-2037	724	675	
300	Discovery Communications LLC	5.200	20-Sep-2047	300	278	
500	DowDuPont Inc.	4.493	15-Nov-2025	500	516	
1 000	DowDuPont Inc.	4.725	15-Nov-2028	1 000	1 039	
1 500	Duke Energy Corp.	3.750	01-Sep-2046	1 454	1 304	
350	DXC Technology Co.	2.875	27-Mar-2020	349	347	
675	Ecolab Inc.	2.700	01-Nov-2026	666	631	
850	Enbridge Energy Partners LP	5.875	15-Oct-2025	981	923	
350	Energy Transfer Partners LP	4.200	15-Apr-2027	349	327	
900	Enterprise Products Operating LLC	4.250	15-Feb-2048	895	802	
1 350	Exelon Corp.	5.625	15-Jun-2035	1 554	1 461	
800	Exelon Corp.	4.450	15-Apr-2046	800	765	
700	Exelon Generation Co. LLC	2.950	15-Jan-2020	706	697	
675	FedEx Corp.	4.050	15-Feb-2048	672	568	
475	General Motors Co.	2.112	07-Aug-2020	475	470	
550	General Motors Financial Co. Inc.	3.200	13-Jul-2020	550	543	
750	General Motors Financial Co. Inc.	4.375	25-Sep-2021	782	754	
650	General Motors Financial Co. Inc.	3.450	14-Jan-2022	649	630	
1 000	Georgia-Pacific LLC	3.163	15-Nov-2021	1 000	991	
800	Georgia-Pacific LLC	8.000	15-Jan-2024	1 034	961	
450	Halfmoon Parent Inc.	3.224	15-Jul-2023	450	443	
350	Hartford Financial Services Group Inc.	5.500	30-Mar-2020	396	359	
750	HSBC Bank USA	4.875	24-Aug-2020	815	766	
500	Hyundai Capital America	2.500	18-Mar-2019	502	499	
500	JPMorgan Chase & Co.	2.700	18-May-2023	499	481	
700	JPMorgan Chase & Co.	3.125	23-Jan-2025	698	668	
1 300	JPMorgan Chase & Co.	3.220	01-Mar-2025	1 305	1 257	
750	JPMorgan Chase & Co.	2.950	01-Oct-2026	748	694	
1 100	JPMorgan Chase & Co.	3.540	01-May-2028	1 106	1 051	
300	Kinder Morgan Energy Partners LP	3.500	01-Mar-2021	293	299	
600	Kinder Morgan Energy Partners LP	4.250	01-Sep-2024	602	598	
1 100	Kinder Morgan Energy Partners LP	6.950	15-Jan-2038	1 288	1 231	
650	Kinder Morgan Inc.	5.200	01-Mar-2048	648	624	
700	Kraft Heinz Foods Co.	5.200	15-Jul-2045	690	643	
275	Lockheed Martin Corp.	3.100	15-Jan-2023	278	273	
1 000	LyondellBasell Industries N.V.	6.000	15-Nov-2021	1 151	1 058	
400	Magellan Midstream Partners LP	5.150	15-Oct-2043	412	403	
1 250	Medtronic Inc.	3.150	15-Mar-2022	1 272	1 247	
750	Medtronic Inc.	4.625	15-Mar-2045	759	789	
864	MidAmerican Energy Holdings Co.	6.125	01-Apr-2036	1 065	1 033	
400	Mississippi Power Co.	2.942	27-Mar-2020	400	399	
750	Morgan Stanley	2.500	21-Apr-2021	748	734	
1 000	Morgan Stanley	2.750	19-May-2022	998	973	
1 600	Morgan Stanley	3.875	27-Jan-2026	1 629	1 562	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
750	Morgan Stanley	3.125	27-Jul-2026	\$ 745	\$ 693	
1 500	Morgan Stanley	3.591	22-Jul-2028	1 500	1 419	
500	MPLX LP	4.500	15-Apr-2038	493	438	
250	MPLX LP	4.700	15-Apr-2048	248	218	
550	Northrop Grumman Corp.	2.550	15-Oct-2022	550	533	
250	Northrop Grumman Corp.	3.250	15-Jan-2028	250	234	
300	Northrop Grumman Corp.	4.030	15-Oct-2047	303	274	
500	Oncor Electric Delivery Co. LLC	7.250	15-Jan-2033	668	666	
600	ONEOK Inc.	4.550	15-Jul-2028	598	596	
250	Oracle Corp.	4.000	15-Jul-2046	255	234	
800	Oracle Corp.	4.000	15-Nov-2047	796	747	
700	Phillips 66 Partners LP	3.550	01-Oct-2026	691	656	
300	Phillips 66 Partners LP	3.750	01-Mar-2028	299	278	
625	PSEG Power LLC	3.850	01-Jun-2023	625	626	
600	PSEG Power LLC	8.625	15-Apr-2031	871	781	
750	Public Service Co. of Oklahoma	4.400	01-Feb-2021	800	763	
600	Public Service Enterprise Group Inc.	2.650	15-Nov-2022	599	578	
800	Puget Energy Inc.	6.000	01-Sep-2021	925	847	
575	Regions Financial Corp.	2.750	14-Aug-2022	575	555	
350	Republic Services Inc.	3.950	15-May-2028	345	351	
1 550	Rockwell Collins Inc.	3.200	15-Mar-2024	1 549	1 494	
825	Roper Technologies Inc.	2.800	15-Dec-2021	824	809	
755	Royal Caribbean Cruises Ltd.	2.650	28-Nov-2020	755	741	
500	Schlumberger Holdings Corp.	3.625	21-Dec-2022	499	498	
1 300	Sempra Energy	3.800	01-Feb-2038	1 285	1 121	
650	Southern Co. Gas Capital Corp.	2.450	01-Oct-2023	649	620	
1 800	Southern Power Co.	4.950	15-Dec-2046	1 775	1 687	
750	Southwest Gas Holdings Inc.	3.800	29-Sep-2046	748	668	
825	Southwestern Electric Power Co.	3.850	01-Feb-2048	823	737	
500	Spectra Energy Partners LP	4.750	15-Mar-2024	502	514	
1 525	Starbucks Corp.	4.500	15-Nov-2048	1 509	1 427	
500	The Dow Chemical Co.	7.375	01-Nov-2029	672	611	
500	The Goldman Sachs Group Inc.	5.375	15-Mar-2020	542	511	
1 000	The Goldman Sachs Group Inc.	2.625	25-Apr-2021	998	974	
800	The Goldman Sachs Group Inc.	5.750	24-Jan-2022	906	838	
600	The Goldman Sachs Group Inc.	3.625	22-Jan-2023	612	591	
900	The Goldman Sachs Group Inc.	3.750	22-May-2025	899	862	
750	The Goldman Sachs Group Inc.	3.272	29-Sep-2025	750	704	
425	The Goldman Sachs Group Inc.	3.750	25-Feb-2026	424	403	
700	The Goldman Sachs Group Inc.	3.691	05-Jun-2028	700	651	
1 000	The Sherwin-Williams Co.	4.500	01-Jun-2047	994	906	
1 300	The Southern Co.	4.250	01-Jul-2036	1 309	1 231	
650	Thermo Fisher Scientific Inc.	3.000	15-Apr-2023	646	633	
750	United Technologies Corp.	3.650	16-Aug-2023	750	748	
800	Verizon Communications Inc.	5.250	16-Mar-2037	822	837	
500	Verizon Communications Inc.	5.012	15-Apr-2049	608	501	
1 000	Wells Fargo & Co.	3.300	09-Sep-2024	1 020	968	
750	Wells Fargo & Co.	3.000	19-Feb-2025	747	708	
1 650	Wells Fargo & Co.	3.000	23-Oct-2026	1 629	1 530	
600	Williams Partners LP	3.750	15-Jun-2027	600	570	
650	Williams Partners LP	4.850	01-Mar-2048	647	594	
TOTAL BONDS				128 511	122 851	84.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				\$ 150 839	144 554	99.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 146 106	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 144 554	\$ 240 346
Cash	168	2 903
Subscriptions receivable	130	951
Dividends receivable, interest accrued and other assets	1 579	2 428
TOTAL ASSETS	146 431	246 628
LIABILITIES		
Redemptions payable	294	109
Accounts payable and accrued expenses	31	48
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	325	157
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 146 106	\$ 246 471
Investments at cost	\$ 150 839	\$ 235 817
NAV		
SERIES A	\$ 18 396	\$ 26 828
ADVISOR SERIES	\$ 532	\$ 987
SERIES D	\$ 1 608	\$ 2 700
SERIES F	\$ 12 947	\$ 19 012
SERIES O	\$ 112 623	\$ 196 944
NAV PER UNIT		
SERIES A	\$ 9.08	\$ 9.71
ADVISOR SERIES	\$ 8.97	\$ 9.59
SERIES D	\$ 9.09	\$ 9.72
SERIES F	\$ 9.07	\$ 9.70
SERIES O	\$ 9.04	\$ 9.67

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ —	\$ (4)
Interest for distribution purposes	7 962	8 293
Net realized gain (loss) on investments	(4 093)	362
Change in unrealized gain (loss) on investments	(10 814)	5 710
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(6 945)	14 361
Securities lending revenue (see note 7 in the generic notes)	1	5
TOTAL OTHER INCOME (LOSS)	1	5
TOTAL INCOME (LOSS)	(6 944)	14 366
EXPENSES (see notes – Fund Specific Information)		
Management fees	373	443
Administration fees	50	60
Independent Review Committee costs	2	2
GST/HST	40	51
TOTAL EXPENSES	465	556
INCREASE (DECREASE) IN NAV	\$ (7 409)	\$ 13 810
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 005)	\$ 1 524
ADVISOR SERIES	\$ (35)	\$ 56
SERIES D	\$ (83)	\$ 116
SERIES F	\$ (669)	\$ 843
SERIES O	\$ (5 617)	\$ 11 271
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.42)	\$ 0.50
ADVISOR SERIES	\$ (0.38)	\$ 0.46
SERIES D	\$ (0.41)	\$ 0.54
SERIES F	\$ (0.36)	\$ 0.54
SERIES O	\$ (0.33)	\$ 0.62

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (7 409)	\$ 13 810
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	4 095	(348)
Change in unrealized loss (gain) on investments	10 814	(5 710)
(Increase) decrease in accrued receivables	849	(809)
Increase (decrease) in accrued payables	(17)	6
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(52 231)	(141 377)
Proceeds from sale and maturity of investments	133 114	58 252
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	89 215	(76 176)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	61 065	145 364
Cash paid on redemption of redeemable units	(148 158)	(62 891)
Distributions paid to holders of redeemable units	(4 857)	(5 831)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (91 950)	\$ 76 642
Net increase (decrease) in cash for the period	(2 735)	466
Cash (bank overdraft), beginning of period	2 903	2 437
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 168	\$ 2 903
 Interest received (paid)	 \$ 8 811	 \$ 7 480
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 26 828	\$ 28 835	\$ 987	\$ 605	\$ 2 700	\$ 1 464	\$ 19 012	\$ 10 599
INCREASE (DECREASE) IN NAV	(1 005)	1 524	(35)	56	(83)	116	(669)	843
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	3 142	9 716	502	1 410	485	1 889	8 771	16 997
Reinvestments of distributions to holders of redeemable units	572	711	11	26	57	71	239	259
Redemption of redeemable units	(10 522)	(13 178)	(907)	(1 076)	(1 492)	(767)	(13 832)	(9 151)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(6 808)	(2 751)	(394)	360	(950)	1 193	(4 822)	8 105
Distributions from net income	(619)	(648)	(26)	(28)	(59)	(60)	(574)	(447)
Distributions from net gains	—	(132)	—	(6)	—	(13)	—	(88)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(619)	(780)	(26)	(34)	(59)	(73)	(574)	(535)
NET INCREASE (DECREASE) IN NAV	(8 432)	(2 007)	(455)	382	(1 092)	1 236	(6 065)	8 413
NAV AT END OF PERIOD	\$ 18 396	\$ 26 828	\$ 532	\$ 987	\$ 1 608	\$ 2 700	\$ 12 947	\$ 19 012

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 196 944	\$ 110 479	\$ 246 471	\$ 151 982
INCREASE (DECREASE) IN NAV	(5 617)	11 271	(7 409)	13 810
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	49 194	116 442	62 094	146 454
Reinvestments of distributions to holders of redeemable units	1 771	1 858	2 650	2 925
Redemption of redeemable units	(123 440)	(35 772)	(150 193)	(59 944)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(72 475)	82 528	(85 449)	89 435
Distributions from net income	(6 229)	(6 338)	(7 507)	(7 521)
Distributions from net gains	—	(996)	—	(1 235)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6 229)	(7 334)	(7 507)	(8 756)
NET INCREASE (DECREASE) IN NAV	(84 321)	86 465	(100 365)	94 489
NAV AT END OF PERIOD	\$ 112 623	\$ 196 944	\$ 146 106	\$ 246 471

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	—	1.7
AA	6.6	6.5
A	36.1	33.9
BBB	56.2	57.2
BB	1.1	0.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	84.1	85.0
Other Countries	14.9	12.5
Cash/Other	1.0	2.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	1.4	0.2
1 – 5 years	33.0	32.6
5 – 10 years	32.3	36.6
> 10 years	33.3	30.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.2% (December 31, 2017 – 7.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	144 554	—	144 554
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	144 554	—	144 554
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	240 346	—	240 346
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	—	240 346	—	240 346
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.10%	0.05%
Advisor Series	1.10%	0.05%
Series D	0.75%	0.05%
Series F	0.60%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	126	122
Advisor Series	127	123
Series F	129	125
Value of all units	3	4

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	2 543
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 763	3 046
Issued number of units	334	1 003
Reinvested number of units	62	74
Redeemed number of units	(1 132)	(1 360)
Ending number of units	2 027	2 763
Advisor Series		
Opening units	103	65
Issued number of units	55	148
Reinvested number of units	1	3
Redeemed number of units	(100)	(113)
Ending number of units	59	103
Series D		
Opening units	278	155
Issued number of units	51	195
Reinvested number of units	6	7
Redeemed number of units	(158)	(79)
Ending number of units	177	278

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	1 960	1 121
Issued number of units	944	1 760
Reinvested number of units	26	27
Redeemed number of units	(1 502)	(948)
Ending number of units	1 428	1 960
Series O		
Opening units	20 372	11 722
Issued number of units	5 249	12 157
Reinvested number of units	193	193
Redeemed number of units	(13 350)	(3 700)
Ending number of units	12 464	20 372

**Securities lending revenue (USD000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 035	929
Fair value of collateral received	2 075	947

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2	100	10	100
RBC IS (paid)	(1)	(25)	(3)	(30)
Tax withheld	—	(21)	(2)	(20)
Fund revenue	1	54	5	50

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC \$U.S. Strategic Income Bond Fund	5.4	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL CORPORATE BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Canada				
4 300	BCE Inc., Preferred Series AQ, 4.250%	\$ 85	\$ 91	
28 025	Canadian Imperial Bank of Commerce, Preferred Series 45, 4.400%	701	622	
600 000	Canadian Imperial Bank of Commerce, Preferred Series 47, 4.500%	15 000	12 600	
32 500	Element Fleet Management Corp., Preferred Series A, 6.600%	690	673	
3 000	Element Fleet Management Corp., Preferred Series E, 6.400%	62	58	
15 500	Element Fleet Management Corp., Preferred Series G, 6.500%	324	335	
51 900	Enbridge Inc., Preferred Series 1, 4.000%	1 572	1 488	
26 200	Enbridge Inc., Preferred Series 5, 4.400%	765	687	
22 500	Enbridge Inc., Preferred Series 11, 4.400%	386	375	
13 400	Enbridge Inc., Preferred Series 13, 4.400%	231	225	
118 540	Enbridge Inc., Preferred Series 17, 5.150%	2 979	2 931	
75 000	Enbridge Inc., Preferred Series 19, 4.900%	1 875	1 652	
30 000	Enbridge Inc., Preferred Series F, 4.000%	635	528	
20 500	Enbridge Inc., Preferred Series L, 4.000%	608	536	
106 100	Enbridge Inc., Preferred Series N, 4.000%	1 996	1 967	
35 100	Enbridge Inc., Preferred Series P, 4.000%	739	571	
138 025	Fortis Inc., Preferred Series G, 5.250%	3 160	2 611	
34 250	Manulife Financial Corporation, Preferred Series 13, 3.800%	783	665	
11 750	National Bank of Canada, Preferred Series 36, 5.400%	294	300	
85 000	National Bank of Canada, Preferred Series 38, 4.450%	2 125	1 883	
145 000	National Bank of Canada, Preferred Series 40, 4.600%	3 625	3 064	
39 200	Pembina Pipeline Corp., Preferred Series 1, 4.250%	867	710	
240 000	Toronto-Dominion Bank, Preferred Series 18, 4.700%	6 000	5 340	
TOTAL EQUITIES		45 502	39 912	0.4
UNDERLYING FUNDS				
280 300	Bloomberg Barclays Capital High Yield Bond SPDR Fund	12 802	12 871	
22 162 215	BlueBay Emerging Markets Corporate Bond Fund*	243 176	229 351	
2 425 000	BMO Short Corporate Bond Index ETF	33 924	33 708	
2 242 500	iShares iBoxx \$ Investment Grade Corporate Bond Fund	346 940	345 394	
2 610 000	iShares Canadian Corporate Bond Index Fund	54 720	53 844	
116 200	iShares iBoxx \$ High Yield Corporate Bond Fund	12 825	12 888	
378 500	iShares J.P. Morgan USD Emerging Markets Bond Fund	52 773	53 704	
20 639 049	RBC Emerging Markets Bond Fund*	234 474	231 681	
10 378 270	RBC Emerging Markets Foreign Exchange Fund*	105 364	109 986	
3 250 000	RBC Target 2020 Corporate Bond Index ETF*	64 649	64 448	
225 000	VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	10 301	10 137	
625 000	Vanguard Canadian Short-Term Corporate Bond Index Fund	15 000	14 919	
984 000	Vanguard Intermediate-Term Corporate Bond Fund	107 632	111 311	
1 000 000	Vanguard Long-Term Corporate Bond Fund	115 563	116 288	
1 651 650	Vanguard Short-Term Corporate Bond Fund	168 953	175 742	
TOTAL UNDERLYING FUNDS		1 579 096	1 576 272	14.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Angola						
1 315	Republic of Angola USD	9.500	12-Nov-2025	\$ 1 914	\$ 1 899	
1 825	Republic of Angola USD	8.250	09-May-2028	2 430	2 362	
700	Republic of Angola USD	9.375	08-May-2048	920	899	
				5 264	5 160	—
Argentina						
1 850	Province of Santa Fe USD	6.900	01-Nov-2027	2 410	1 881	
1 850	Provincia de Buenos Aires USD	10.875	26-Jan-2021	2 545	2 499	
1 850	Provincia de Cordoba USD	7.125	10-Jun-2021	2 522	2 203	
2 250	Provincia de Mendoza Argentina USD	8.375	19-May-2024	2 842	2 473	
2 750	Republic of Argentina USD	5.875	11-Jan-2028	3 052	2 722	
6 500	Republic of Argentina USD	7.625	22-Apr-2046	8 198	6 467	
				21 569	18 245	0.2
Armenia						
2 125	Republic of Armenia USD	6.000	30-Sep-2020	2 791	2 939	
1 860	Republic of Armenia USD	7.150	26-Mar-2025	2 570	2 679	
				5 361	5 618	0.1
Australia						
5 000	Barrick PD Australia Finance Pty Ltd. USD	5.950	15-Oct-2039	5 817	7 294	
10 000	Commonwealth Bank of Australia USD	2.300	12-Mar-2020	12 626	13 510	
5 000	Commonwealth Bank of Australia USD	2.850	18-May-2026	6 024	6 373	
6 260	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	8 381	7 895	
10 000	Macquarie Group Ltd. EUR	1.250	05-Mar-2025	15 507	15 143	
10 485	National Australia Bank Ltd. USD	3.000	20-Jan-2023	13 533	14 042	
10 000	National Australia Bank Ltd. AUD	3.000	10-Feb-2023	9 908	9 644	
4 500	Toyota Finance Australia Ltd. AUD	3.250	21-Feb-2022	4 549	4 406	
				76 345	78 307	0.7
Azerbaijan						
4 815	Republic of Azerbaijan USD	4.750	18-Mar-2024	6 230	6 571	
2 715	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	3 358	3 704	
				9 588	10 275	0.1
Bahamas						
5 080	Bahamas Government USD	5.750	16-Jan-2024	6 784	7 058	
				6 784	7 058	0.1
Bahrain						
3 175	Bahrain Government USD	7.000	12-Oct-2028	3 885	4 353	
				3 885	4 353	—
Barbados						
293	Barbados Government USD	7.250	15-Dec-2021	351	227	
				351	227	—
Belgium						
12 000	Anheuser-Busch InBev N.V. EUR	1.150	22-Jan-2027	17 735	18 051	
6 000	Anheuser-Busch InBev N.V. GBP	2.250	24-May-2029	9 988	9 646	
5 000	KBC Group N.V. EUR	0.875	27-Jun-2023	7 670	7 814	
				35 393	35 511	0.3
Bolivia						
884	Bolivian Government USD	5.950	22-Aug-2023	1 209	1 201	
				1 209	1 201	—
Brazil						
3 575	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	4 981	5 102	
1 000	Republic of Brazil USD	4.625	13-Jan-2028	1 220	1 318	
3 550	Republic of Brazil USD	5.625	07-Jan-2041	4 391	4 675	
				10 592	11 095	0.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada						
6 500	407 International Inc.	2.470	08-Sep-2022	\$ 6 452	\$ 6 391	
2 000	407 International Inc.	3.350	16-May-2024	2 046	2 048	
13 000	407 International Inc.	5.750	14-Feb-2036	16 437	16 101	
5 000	407 International Inc.	4.450	15-Nov-2041	5 447	5 495	
4 000	407 International Inc.	3.650	08-Sep-2044	4 022	3 915	
7 500	Aéroports de Montréal	5.670	16-Oct-2037	9 702	9 743	
1 700	Aéroports de Montréal	3.918	12-Jun-2045	1 699	1 794	
4 000	AIMCo Realty Investors LP	3.367	01-Jun-2027	3 999	4 044	
4 300	AIMCo Realty Investors LP	3.043	01-Jun-2028	4 300	4 222	
7 900	Alectra Inc.	2.488	17-May-2027	7 664	7 576	
7 400	Alimentation Couche-Tard Inc. USD	2.700	26-Jul-2022	9 262	9 755	
2 100	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	2 100	2 030	
11 400	Alimentation Couche-Tard Inc. USD	3.550	26-Jul-2027	14 322	14 565	
195	Alliance Pipeline LP	6.765	31-Dec-2025	228	220	
4 000	AltaGas Ltd.	3.720	28-Sep-2021	4 167	4 024	
3 000	AltaGas Ltd.	3.570	12-Jun-2023	3 175	2 962	
2 000	AltaGas Ltd.	4.400	15-Mar-2024	1 999	2 036	
4 000	AltaGas Ltd.	3.840	15-Jan-2025	4 143	3 942	
1 000	AltaLink Investments LP	3.265	05-Jun-2020	1 000	1 007	
3 000	AltaLink LP	3.668	06-Nov-2023	3 295	3 119	
2 000	AltaLink LP	2.747	29-May-2026	2 000	1 968	
6 500	AltaLink LP	4.872	15-Nov-2040	7 785	7 589	
2 000	AltaLink LP	4.462	08-Nov-2041	2 349	2 212	
7 000	AltaLink LP	3.717	03-Dec-2046	6 963	6 931	
3 000	Bank of Montreal	2.840	04-Jun-2020	3 037	3 013	
10 000	Bank of Montreal	1.880	31-Mar-2021	10 023	9 826	
12 000	Bank of Montreal USD	3.100	13-Apr-2021	15 107	16 379	
18 700	Bank of Montreal	3.400	23-Apr-2021	19 393	18 992	
16 100	Bank of Montreal	1.610	28-Oct-2021	15 787	15 606	
5 000	Bank of Montreal EUR	0.250	17-Nov-2021	7 676	7 816	
6 200	Bank of Montreal	2.120	16-Mar-2022	6 143	6 072	
10 250	Bank of Montreal	2.270	11-Jul-2022	10 165	10 057	
11 000	Bank of Montreal USD	2.350	11-Sep-2022	13 574	14 513	
11 500	Bank of Montreal	2.890	20-Jun-2023	11 498	11 494	
4 000	Bank of Montreal	2.700	11-Sep-2024	3 999	3 942	
12 100	Bank of Montreal	3.190	01-Mar-2028	12 092	12 118	
7 500	Bank of Nova Scotia	2.130	15-Jun-2020	7 558	7 455	
13 450	Bank of Nova Scotia	2.090	09-Sep-2020	13 410	13 335	
3 500	Bank of Nova Scotia	3.270	11-Jan-2021	3 724	3 540	
15 000	Bank of Nova Scotia USD	3.125	20-Apr-2021	18 791	20 452	
8 300	Bank of Nova Scotia	2.873	04-Jun-2021	8 425	8 327	
20 000	Bank of Nova Scotia	1.900	02-Dec-2021	19 670	19 504	
6 300	Bank of Nova Scotia	1.830	27-Apr-2022	6 298	6 102	
19 000	Bank of Nova Scotia USD	2.450	19-Sep-2022	23 423	25 056	
9 000	Bank of Nova Scotia	2.360	08-Nov-2022	8 946	8 825	
8 550	Bank of Nova Scotia	2.980	17-Apr-2023	8 548	8 568	
9 200	Bank of Nova Scotia	2.290	28-Jun-2024	9 159	8 877	
6 000	Bank of Nova Scotia USD	4.500	16-Dec-2025	7 828	8 172	
3 500	Bank of Nova Scotia	3.100	02-Feb-2028	3 499	3 479	
5 600	Baytex Energy Corp. USD	5.125	01-Jun-2021	6 324	7 358	
4 615	Baytex Energy Corp. USD	5.625	01-Jun-2024	4 682	5 481	
500	BC Tel	10.650	19-Jun-2021	744	588	
2 000	bcIMC Realty Corp.	2.100	03-Jun-2021	2 035	1 973	
1 500	bcIMC Realty Corp.	3.000	31-Mar-2027	1 500	1 483	
1 000	Bell Canada	3.540	12-Jun-2020	1 000	1 011	
500	Bell Canada	3.250	17-Jun-2020	523	503	
10 000	Bell Canada	4.950	19-May-2021	10 839	10 447	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
10 200	Bell Canada	2.000	01-Oct-2021	\$ 10 068	\$ 9 919	
1 000	Bell Canada	3.000	03-Oct-2022	996	992	
4 000	Bell Canada	3.350	22-Mar-2023	4 143	4 003	
4 000	Bell Canada	2.700	27-Feb-2024	3 995	3 862	
3 600	Bell Canada	3.350	12-Mar-2025	3 595	3 555	
11 300	Bell Canada	3.550	02-Mar-2026	11 618	11 225	
7 500	Bell Canada	3.600	29-Sep-2027	7 483	7 379	
2 000	Bell Canada	3.800	21-Aug-2028	1 998	1 981	
12 110	Bell Canada	6.100	16-Mar-2035	14 344	14 270	
6 000	Bell Canada	4.750	29-Sep-2044	6 246	5 994	
8 200	Bell Canada	4.350	18-Dec-2045	8 031	7 684	
1 500	BMW Canada Inc.	1.780	19-Oct-2020	1 500	1 475	
1 700	BMW Canada Inc.	1.830	15-Jun-2021	1 699	1 659	
3 000	British Columbia Ferry Services Inc.	5.581	11-Jan-2038	4 007	3 806	
7 500	Brookfield Infrastructure Finance ULC	3.315	22-Feb-2024	7 564	7 333	
4 550	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	4 550	4 506	
1 500	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	1 629	1 552	
3 500	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	3 536	3 463	
2 000	Brookfield Renewable Energy Partners ULC	3.630	15-Jan-2027	2 003	1 919	
4 000	Bruce Power LP	2.844	23-Jun-2021	4 038	3 986	
2 000	Bruce Power LP	3.000	21-Jun-2024	2 016	1 959	
3 000	Caisse Centrale Desjardins	1.748	02-Mar-2020	3 000	2 974	
1 400	Caisse Centrale Desjardins	2.091	17-Jan-2022	1 400	1 371	
2 000	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	2 001	2 014	
2 000	Calloway Real Estate Investment Trust	3.985	30-May-2023	2 048	2 023	
6 400	Canadian Credit Card Trust II	1.829	24-Mar-2020	6 402	6 346	
1 700	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	1 700	1 687	
3 000	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	2 977	2 967	
7 000	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	6 920	6 874	
14 900	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	14 621	14 498	
4 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	4 000	4 013	
3 300	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	3 299	3 221	
6 000	Canadian Imperial Bank of Commerce USD	2.550	16-Jun-2022	7 390	7 980	
15 000	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	14 933	14 722	
8 500	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	8 498	8 515	
1 800	Canadian Imperial Bank of Commerce USD	3.500	13-Sep-2023	2 362	2 461	
3 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	3 000	2 991	
7 000	Canadian Natural Resources Ltd. USD	6.250	15-Mar-2038	9 883	10 523	
9 000	Canadian Pacific Railway Co. USD	4.450	15-Mar-2023	11 334	12 795	
1 000	Canadian Pacific Railway Ltd.	5.100	14-Jan-2022	997	1 066	
3 000	Canadian Real Estate Investment Trust	4.323	15-Jan-2021	3 131	3 067	
4 000	Canadian Real Estate Investment Trust	2.951	18-Jan-2023	4 006	3 912	
4 000	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	3 993	3 959	
1 900	Canadian Western Bank	2.751	29-Jun-2020	1 900	1 895	
4 400	Canadian Western Bank	2.881	01-Mar-2021	4 400	4 381	
7 500	Canadian Western Bank	2.788	13-Sep-2021	7 438	7 421	
2 300	Canadian Western Bank	2.924	15-Dec-2022	2 300	2 263	
8 000	Cards II Trust	2.155	15-Oct-2020	8 038	7 931	
8 100	Choice Properties LP	3.600	20-Sep-2021	8 288	8 175	
2 000	Choice Properties LP	3.600	20-Sep-2022	2 074	2 012	
2 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	2 000	1 978	
7 700	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	7 700	7 586	
1 250	Choice Properties Real Estate Investment Trust	3.546	10-Jan-2025	1 250	1 227	
2 000	CT Real Estate Investment Trust	2.159	01-Jun-2021	1 995	1 955	
4 000	CT Real Estate Investment Trust	3.469	16-Jun-2027	3 901	3 808	
3 000	Daimler Canada Finance Inc.	1.570	25-May-2020	3 000	2 949	
500	Daimler Canada Finance Inc.	1.910	08-Jul-2021	500	487	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
3 200	Daimler Canada Finance Inc.	2.230	16-Dec-2021	\$ 3 200	\$ 3 126	
1 500	Daimler Canada Finance Inc.	3.050	16-May-2022	1 500	1 497	
1 500	Daimler Canada Finance Inc.	3.300	16-Aug-2022	1 500	1 507	
800	Dollarama Inc.	2.337	22-Jul-2021	800	783	
2 000	Dollarama Inc.	2.203	10-Nov-2022	2 000	1 912	
4 500	Emera Inc.	2.900	16-Jun-2023	4 501	4 416	
13 000	Emera US Finance LP	4.750	15-Jun-2046	18 408	17 151	
4 500	Enbridge Gas Distribution Inc.	3.150	22-Aug-2024	4 565	4 525	
1 700	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	1 735	1 717	
1 000	Enbridge Gas Distribution Inc.	2.500	05-Aug-2026	999	953	
9 600	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	11 628	11 227	
7 500	Enbridge Gas Distribution Inc.	4.000	22-Aug-2044	7 723	7 623	
1 000	Enbridge Inc.	4.770	02-Sep-2019	1 130	1 014	
4 200	Enbridge Inc.	3.190	05-Dec-2022	4 247	4 189	
4 000	Enbridge Inc. USD	4.250	01-Dec-2026	5 463	5 412	
2 620	Enbridge Inc.	5.570	14-Nov-2035	2 892	2 866	
11 400	Enbridge Inc.	4.570	11-Mar-2044	11 420	10 995	
7 000	Enbridge Inc. USD	4.500	10-Jun-2044	7 802	8 909	
8 000	Enbridge Inc. USD	5.500	01-Dec-2046	11 322	11 774	
5 305	Enbridge Inc. USD	5.500	15-Jul-2077	6 115	6 158	
3 200	Enbridge Inc.	5.375	27-Sep-2077	3 123	2 957	
2 000	Enbridge Pipelines Inc.	4.450	06-Apr-2020	2 178	2 043	
4 000	Enbridge Pipelines Inc.	2.930	30-Nov-2022	4 017	3 992	
7 000	Enbridge Pipelines Inc.	3.000	10-Aug-2026	6 909	6 765	
8 200	Enbridge Pipelines Inc.	4.130	09-Aug-2046	8 417	7 688	
2 500	Enmax Corp.	3.805	05-Dec-2024	2 500	2 577	
7 000	EPCOR Utilities Inc.	5.650	16-Nov-2035	8 695	8 642	
6 500	EPCOR Utilities Inc.	4.550	28-Feb-2042	7 044	7 260	
6 500	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	7 088	6 992	
6 000	Fairfax Financial Holdings Ltd.	4.500	22-Mar-2023	6 268	6 208	
6 000	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	6 000	5 881	
8 000	Fairfax Financial Holdings Ltd. EUR	2.750	29-Mar-2028	12 441	12 462	
8 600	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	8 558	8 455	
3 000	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	3 000	3 015	
250	Finning International Inc.	2.840	29-Sep-2021	250	249	
6 445	First Capital Realty Inc.	4.430	31-Jan-2022	6 893	6 642	
3 000	First Capital Realty Inc.	4.790	30-Aug-2024	3 206	3 143	
7 800	Ford Credit Canada Co.	2.923	16-Sep-2020	7 859	7 681	
5 400	Ford Credit Canada Co.	2.580	10-May-2021	5 350	5 212	
3 000	Ford Credit Canada Co.	2.710	23-Feb-2022	3 000	2 847	
6 300	Ford Credit Canada Co.	2.766	22-Jun-2022	6 239	5 944	
2 550	Ford Credit Canada Co.	3.742	08-May-2023	2 550	2 437	
7 200	Fortified Trust	2.161	23-Oct-2020	7 200	7 141	
7 000	Fortis Inc.	2.850	12-Dec-2023	6 977	6 903	
5 000	Fortis Inc. USD	3.055	04-Oct-2026	6 556	6 245	
2 000	FortisAlberta Inc.	3.300	30-Sep-2024	2 000	2 041	
1 500	FortisAlberta Inc.	6.220	31-Oct-2034	2 000	1 939	
3 000	FortisAlberta Inc.	4.110	29-Sep-2044	3 158	3 143	
6 000	FortisBC Energy Inc.	2.580	08-Apr-2026	5 932	5 837	
7 000	FortisBC Energy Inc.	5.900	26-Feb-2035	8 967	8 870	
4 000	FortisBC Energy Inc.	5.550	25-Sep-2036	5 096	4 966	
1 000	FortisBC Energy Inc.	3.375	13-Apr-2045	1 000	937	
5 000	GE Capital Canada Funding Co.	4.600	26-Jan-2022	5 684	5 034	
2 000	General Motors Financial of Canada Ltd.	3.080	22-May-2020	1 999	1 995	
5 900	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	5 898	5 835	
1 500	General Motors Financial of Canada Ltd.	2.600	01-Jun-2022	1 498	1 440	
2 000	Genesis Trust II	1.699	15-Apr-2020	2 000	1 979	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
1 500	Genworth MI Canada Inc.	5.680	15-Jun-2020	\$ 1 628	\$ 1 552	
2 000	George Weston Ltd.	4.115	17-Jun-2024	2 057	2 035	
1 490	Gibson Energy Inc.	5.375	15-Jul-2022	1 476	1 491	
8 400	Gibson Energy Inc.	5.250	15-Jul-2024	8 409	8 174	
1 100	Glacier Credit Card Trust	2.048	20-Sep-2022	1 100	1 065	
4 600	Goldcorp Inc. USD	3.625	09-Jun-2021	6 174	6 251	
3 850	Goldcorp Inc. USD	3.700	15-Mar-2023	5 143	5 225	
2 000	Goldcorp Inc. USD	5.450	09-Jun-2044	2 566	2 719	
3 700	Greater Toronto Airports Authority	7.100	04-Jun-2031	5 343	5 104	
2 750	Greater Toronto Airports Authority	6.980	15-Oct-2032	3 985	3 829	
10 000	Greater Toronto Airports Authority	6.470	02-Feb-2034	14 226	13 455	
6 800	Greater Toronto Airports Authority	3.260	01-Jun-2037	6 795	6 588	
9 200	Greater Toronto Airports Authority	5.630	07-Jun-2040	11 971	12 044	
18 000	Great-West Lifeco Finance 2018 LP	4.047	17-May-2028	23 075	25 039	
2 500	Great-West Lifeco Inc.	4.650	13-Aug-2020	2 617	2 580	
20 500	Great-West Lifeco Inc. EUR	2.500	18-Apr-2023	31 419	34 468	
4 000	Great-West Lifeco Inc. EUR	1.750	07-Dec-2026	5 738	6 274	
10 000	Great-West Lifeco Inc.	6.740	24-Nov-2031	13 222	13 052	
2 500	H&R Real Estate Investment Trust	4.450	02-Mar-2020	2 599	2 542	
2 500	H&R Real Estate Investment Trust	2.923	06-May-2022	2 479	2 446	
1 500	H&R Real Estate Investment Trust	3.416	23-Jan-2023	1 500	1 477	
2 000	H&R Real Estate Investment Trust	3.369	30-Jan-2024	2 000	1 942	
3 000	Hollis Receivables Term Trust II	1.788	26-Feb-2020	3 000	2 975	
2 000	Honda Canada Finance Inc.	2.537	01-Mar-2023	2 000	1 959	
8 800	HSBC Bank Canada	2.938	14-Jan-2020	9 010	8 831	
4 000	HSBC Bank Canada	1.816	07-Jul-2020	3 992	3 946	
2 050	HSBC Bank Canada	2.449	29-Jan-2021	2 056	2 034	
3 000	HSBC Bank Canada	2.908	29-Sep-2021	3 000	2 998	
8 600	HSBC Bank Canada	2.170	29-Jun-2022	8 471	8 357	
6 150	HSBC Bank Canada	2.542	31-Jan-2023	6 150	6 019	
8 000	HSBC Bank Canada	3.245	15-Sep-2023	8 000	8 031	
4 000	Husky Energy Inc.	3.600	10-Mar-2027	3 991	3 845	
3 800	Hydro One Inc.	2.570	25-Jun-2021	3 800	3 788	
6 850	Hydro One Inc.	2.970	26-Jun-2025	6 848	6 790	
1 400	Hydro One Inc.	2.770	24-Feb-2026	1 424	1 364	
5 000	Hydro One Inc.	6.930	01-Jun-2032	6 832	6 653	
15 000	Hydro One Inc.	5.360	20-May-2036	18 251	17 855	
2 000	Hydro One Inc.	6.030	03-Mar-2039	2 869	2 599	
7 500	Hydro One Inc.	4.170	06-Jun-2044	8 042	7 816	
5 000	Hydro One Inc.	3.720	18-Nov-2047	5 000	4 849	
9 500	Hydro One Inc.	3.630	25-Jun-2049	9 498	9 029	
3 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	3 149	3 023	
3 000	Inter Pipeline Ltd.	4.967	02-Feb-2021	3 233	3 110	
3 500	Inter Pipeline Ltd.	2.734	18-Apr-2024	3 483	3 337	
4 000	Inter Pipeline Ltd.	3.173	24-Mar-2025	4 032	3 857	
2 000	Inter Pipeline Ltd.	4.637	30-May-2044	2 024	1 896	
1 250	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	1 250	1 250	
1 500	Keyera Corp.	3.934	21-Jun-2028	1 500	1 477	
6 000	Loblaw Companies Ltd.	4.860	12-Sep-2023	6 607	6 338	
2 200	Loblaw Companies Ltd.	6.450	09-Feb-2028	2 544	2 588	
9 500	Loblaw Companies Ltd.	6.050	09-Jun-2034	11 531	10 949	
6 700	Loblaw Companies Ltd.	5.900	18-Jan-2036	7 410	7 637	
4 000	Manulife Bank of Canada	1.915	01-Sep-2021	4 000	3 904	
3 500	Manulife Bank of Canada	2.844	12-Jan-2023	3 500	3 472	
7 600	Manulife Financial Corporation	5.059	15-Dec-2041	8 371	8 184	
1 850	Mattamy Group Corp. USD	6.875	15-Dec-2023	2 371	2 371	
1 800	Mattamy Group Corp.	6.500	01-Oct-2025	1 828	1 702	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
3 750	Mattamy Group Corp. USD	6.500	01-Oct-2025	\$ 4 697	\$ 4 608	
1 000	Metro Inc.	3.200	01-Dec-2021	1 016	1 002	
6 200	Metro Inc.	2.680	05-Dec-2022	6 138	6 060	
3 300	Metro Inc.	3.390	06-Dec-2027	3 271	3 160	
10 650	National Bank of Canada	1.742	03-Mar-2020	10 701	10 558	
2 000	National Bank of Canada	1.809	26-Jul-2021	2 000	1 954	
8 500	National Bank of Canada	2.105	18-Mar-2022	8 470	8 313	
11 000	National Bank of Canada	1.957	30-Jun-2022	10 840	10 673	
2 200	NAV Canada	4.397	18-Feb-2021	2 459	2 282	
3 450	New Gold Inc. USD	6.250	15-Nov-2022	4 198	3 980	
2 975	New Gold Inc. USD	6.375	15-May-2025	4 105	3 107	
2 600	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	2 600	2 572	
1 800	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	1 800	1 781	
5 500	North West Redwater Partnership	3.200	22-Jul-2024	5 545	5 485	
9 250	North West Redwater Partnership	2.800	01-Jun-2027	8 945	8 767	
11 200	North West Redwater Partnership	4.150	01-Jun-2033	11 694	11 439	
3 500	Nova Scotia Power Inc.	5.610	15-Jun-2040	4 526	4 335	
3 000	Nova Scotia Power Inc.	4.150	06-Mar-2042	3 088	3 088	
2 000	Nova Scotia Power Inc.	4.500	20-Jul-2043	2 196	2 157	
3 700	Nutrien Ltd. USD	3.150	01-Oct-2022	5 015	4 880	
5 000	Nutrien Ltd. USD	3.375	15-Mar-2025	6 755	6 425	
4 000	Nutrien Ltd. USD	3.000	01-Apr-2025	5 235	5 063	
6 000	Nutrien Ltd. USD	5.250	15-Jan-2045	8 437	8 249	
11 000	OMERS Realty Corp.	3.328	12-Nov-2024	11 375	11 198	
5 000	OMERS Realty Corp.	3.244	04-Oct-2027	5 018	5 026	
3 375	Parkland Fuel Corp.	5.750	16-Sep-2024	3 424	3 310	
6 725	Parkland Fuel Corp.	5.625	09-May-2025	6 757	6 411	
2 500	Pembina Pipeline Corp.	4.890	29-Mar-2021	2 717	2 593	
3 000	Pembina Pipeline Corp.	3.770	24-Oct-2022	3 121	3 037	
5 740	Pembina Pipeline Corp.	2.990	22-Jan-2024	5 740	5 583	
4 600	Pembina Pipeline Corp.	3.540	03-Feb-2025	4 616	4 550	
8 000	Pembina Pipeline Corp.	4.240	15-Jun-2027	8 145	8 140	
2 300	Pembina Pipeline Corp.	4.020	27-Mar-2028	2 300	2 287	
1 000	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	1 000	982	
1 700	Power Corp of Canada	4.455	27-Jul-2048	1 700	1 709	
415	Precision Drilling Corp. USD	7.750	15-Dec-2023	559	525	
2 200	Precision Drilling Corp. USD	5.250	15-Nov-2024	2 317	2 508	
5 285	Precision Drilling Corp. USD	7.125	15-Jan-2026	6 719	6 241	
1 500	RioCan Real Estate Investment Trust	2.194	09-Apr-2021	1 500	1 470	
2 100	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	2 096	2 062	
16 000	Rogers Communications Inc.	4.700	29-Sep-2020	17 085	16 489	
6 790	Rogers Communications Inc.	5.340	22-Mar-2021	7 702	7 123	
6 000	Rogers Communications Inc.	4.000	13-Mar-2024	6 429	6 155	
6 300	Rogers Communications Inc. USD	7.500	15-Aug-2038	8 991	11 448	
11 500	Rogers Communications Inc.	6.110	25-Aug-2040	13 695	13 563	
25 000	Rogers Communications Inc. USD	4.300	15-Feb-2048	31 606	32 648	
9 300	Royal Bank of Canada*	2.860	04-Mar-2021	9 626	9 335	
19 500	Royal Bank of Canada*	2.030	15-Mar-2021	19 703	19 231	
10 000	Royal Bank of Canada*	1.583	13-Sep-2021	9 855	9 699	
15 000	Royal Bank of Canada*	1.968	02-Mar-2022	14 721	14 629	
7 000	Royal Bank of Canada*	2.000	21-Mar-2022	6 999	6 827	
6 600	Royal Bank of Canada*	2.949	01-May-2023	6 600	6 615	
6 000	Royal Bank of Canada*	3.700	05-Oct-2023	7 666	8 229	
8 400	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	10 533	10 307	
1 500	Shaw Communications Inc.	5.650	01-Oct-2019	1 629	1 532	
5 000	Shaw Communications Inc.	3.150	19-Feb-2021	5 069	5 000	
1 500	Shaw Communications Inc.	3.800	02-Nov-2023	1 500	1 510	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
3 000	Shaw Communications Inc.	4.350	31-Jan-2024	\$ 3 060	\$ 3 089	
7 500	Shaw Communications Inc.	3.800	01-Mar-2027	7 566	7 347	
2 350	Shaw Communications Inc.	4.400	02-Nov-2028	2 343	2 355	
9 000	Shaw Communications Inc.	6.750	09-Nov-2039	10 673	10 735	
3 000	SmartCentres Real Estate Investment Trust	2.876	21-Mar-2022	3 000	2 946	
4 825	Sun Life Financial Inc.	5.400	29-May-2042	5 679	5 552	
1 000	Suncor Energy Inc.	3.100	26-Nov-2021	997	1 004	
4 750	Suncor Energy Inc. USD	3.600	01-Dec-2024	5 859	6 351	
4 000	Suncor Energy Inc.	5.390	26-Mar-2037	4 531	4 567	
10 000	Suncor Energy Inc. USD	6.500	15-Jun-2038	14 886	15 759	
5 175	Superior Plus Corp. USD	7.000	15-Jul-2026	6 876	6 853	
8 000	Superior Plus LP	5.250	27-Feb-2024	8 140	7 539	
3 350	Superior Plus LP	5.125	27-Aug-2025	3 337	3 068	
1 500	TELUS Corp.	3.600	26-Jan-2021	1 628	1 520	
4 500	TELUS Corp.	3.200	05-Apr-2021	4 625	4 520	
8 000	TELUS Corp.	2.350	28-Mar-2022	7 934	7 810	
7 000	TELUS Corp.	3.350	15-Mar-2023	7 235	7 010	
1 500	TELUS Corp.	3.750	17-Jan-2025	1 610	1 516	
2 650	TELUS Corp.	3.625	01-Mar-2028	2 622	2 599	
23 500	TELUS Corp.	4.400	01-Apr-2043	22 880	21 994	
6 100	TELUS Corp.	4.400	29-Jan-2046	5 923	5 676	
3 400	TELUS Corp.	4.700	06-Mar-2048	3 448	3 319	
7 000	Teranet Holdings LP	4.807	16-Dec-2020	7 594	7 200	
500	Teranet Holdings LP	5.754	17-Dec-2040	522	509	
2 000	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	2 000	1 979	
4 600	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	4 731	4 615	
2 000	Thomson Reuters Corp.	3.309	12-Nov-2021	2 112	2 020	
5 750	Thomson Reuters Corp. USD	3.350	15-May-2026	7 567	7 299	
8 000	Thomson Reuters Corp. USD	5.500	15-Aug-2035	10 059	11 270	
1 000	Toronto Hydro Corp.	2.520	25-Aug-2026	1 000	971	
2 500	Toronto Hydro Corp.	4.080	16-Sep-2044	2 564	2 644	
6 000	Toronto Hydro Corp.	3.550	28-Jul-2045	5 936	5 820	
4 000	Toronto-Dominion Bank	1.693	02-Apr-2020	3 976	3 961	
11 000	Toronto-Dominion Bank	2.563	24-Jun-2020	11 182	11 006	
7 500	Toronto-Dominion Bank	2.045	08-Mar-2021	7 637	7 405	
25 000	Toronto-Dominion Bank USD	3.250	11-Jun-2021	32 411	34 280	
10 000	Toronto-Dominion Bank	2.621	22-Dec-2021	10 332	9 964	
5 000	Toronto-Dominion Bank	1.994	23-Mar-2022	4 939	4 881	
4 100	Toronto-Dominion Bank	3.005	30-May-2023	4 100	4 124	
6 300	Toronto-Dominion Bank	1.909	18-Jul-2023	6 155	6 041	
19 000	Toronto-Dominion Bank USD	3.500	19-Jul-2023	24 989	26 132	
17 000	Toronto-Dominion Bank EUR	0.625	20-Jul-2023	26 118	26 582	
22 750	Toronto-Dominion Bank	3.226	24-Jul-2024	23 715	23 076	
6 500	Toyota Credit Canada Inc.	1.800	19-Feb-2020	6 503	6 448	
1 500	Toyota Credit Canada Inc.	1.750	21-Jul-2021	1 497	1 461	
4 000	Toyota Credit Canada Inc.	2.020	28-Feb-2022	3 999	3 895	
3 000	Toyota Credit Canada Inc.	2.620	11-Oct-2022	3 000	2 958	
3 000	Toyota Credit Canada Inc.	2.700	25-Jan-2023	2 998	2 961	
2 000	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	2 133	2 042	
4 000	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	4 122	3 984	
2 300	TransCanada PipeLines Ltd.	3.390	15-Mar-2028	2 299	2 236	
7 496	TransCanada PipeLines Ltd.	5.650	20-Jun-2029	8 877	8 309	
11 500	TransCanada PipeLines Ltd. USD	6.100	01-Jun-2040	15 702	17 478	
7 000	TransCanada PipeLines Ltd.	4.550	15-Nov-2041	7 266	6 910	
4 000	TransCanada PipeLines Ltd.	4.330	16-Sep-2047	3 999	3 796	
8 000	Union Gas Ltd.	3.190	17-Sep-2025	8 175	8 033	
2 750	Union Gas Ltd.	2.810	01-Jun-2026	2 771	2 677	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada (cont.)						
2 000	Union Gas Ltd.	5.460	11-Sep-2036	\$ 2 448	\$ 2 401	
3 500	Union Gas Ltd.	6.050	02-Sep-2038	4 416	4 547	
6 700	Union Gas Ltd.	4.880	21-Jun-2041	7 954	7 669	
1 200	Union Gas Ltd.	4.200	02-Jun-2044	1 258	1 258	
5 800	Vermilion Energy Inc. USD	5.625	15-Mar-2025	7 718	7 463	
10 000	Videotron Ltd.	5.625	15-Jun-2025	10 229	10 163	
4 500	Videotron Ltd.	5.750	15-Jan-2026	4 568	4 571	
2 000	Videotron Ltd. USD	5.125	15-Apr-2027	2 600	2 587	
2 500	VW Credit Canada Inc.	2.150	24-Jun-2020	2 513	2 469	
4 500	VW Credit Canada Inc.	2.900	29-Mar-2021	4 495	4 472	
6 300	VW Credit Canada Inc.	3.700	14-Nov-2022	6 290	6 349	
6 000	Wells Fargo Canada Corp.	3.040	29-Jan-2021	6 152	6 028	
3 000	Wells Fargo Canada Corp.	3.460	24-Jan-2023	3 169	3 051	
4 000	Westcoast Energy Inc.	3.120	05-Dec-2022	4 061	4 007	
4 000	Westcoast Energy Inc.	6.750	15-Dec-2027	5 031	4 872	
				2 181 781	2 173 871	20.3
Chile						
6 825	Republic of Chile USD	3.860	21-Jun-2047	8 668	8 732	
				8 668	8 732	0.1
China						
1 500	Sinochem Overseas Capital Co. Ltd. USD	4.500	12-Nov-2020	1 892	2 079	
650	Sinopec Group Overseas Development 2012 Ltd. USD	3.900	17-May-2022	885	895	
3 125	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	4 326	4 510	
3 350	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	4 434	4 665	
3 025	The Export-Import Bank of China USD	3.625	31-Jul-2024	4 033	4 134	
				15 570	16 283	0.1
Colombia						
4 450	Republic of Colombia USD	8.125	21-May-2024	7 050	7 132	
1 900	Republic of Colombia USD	3.875	25-Apr-2027	2 359	2 485	
7 270	Republic of Colombia USD	6.125	18-Jan-2041	10 574	10 778	
				19 983	20 395	0.2
Costa Rica						
3 595	Banco Nacional de Costa Rica USD	6.250	01-Nov-2023	4 969	4 641	
1 100	Costa Rica Government USD	7.000	04-Apr-2044	1 427	1 278	
				6 396	5 919	0.1
Croatia						
1 590	Croatia Government USD	6.750	05-Nov-2019	2 173	2 229	
3 755	Croatia Government USD	5.500	04-Apr-2023	5 294	5 393	
930	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	1 306	1 324	
				8 773	8 946	0.1
Dominican Republic						
5 350	Dominican Republic USD	5.875	18-Apr-2024	7 246	7 406	
7 075	Dominican Republic USD	7.450	30-Apr-2044	9 942	10 090	
				17 188	17 496	0.2
Ecuador						
2 875	Government of Ecuador USD	10.750	28-Mar-2022	4 129	3 975	
5 300	Government of Ecuador USD	7.950	20-Jun-2024	6 633	6 413	
4 225	Government of Ecuador USD	7.875	23-Jan-2028	4 880	4 715	
				15 642	15 103	0.1
Egypt						
2 590	Arab Republic of Egypt USD	6.125	31-Jan-2022	3 416	3 479	
2 525	Arab Republic of Egypt USD	5.875	11-Jun-2025	3 178	3 145	
1 125	Arab Republic of Egypt EUR	4.750	16-Apr-2026	1 563	1 599	
4 400	Arab Republic of Egypt USD	7.500	31-Jan-2027	6 093	5 759	
2 400	Arab Republic of Egypt USD	8.500	31-Jan-2047	3 091	2 971	
				17 341	16 953	0.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
El Salvador						
4 925	Republic of El Salvador USD	7.650	15-Jun-2035	\$ 6 198	\$ 6 400	
				6 198	6 400	0.1
Ethiopia						
500	Government of Ethiopia USD	6.625	11-Dec-2024	645	656	
				645	656	—
France						
1 500	Aeroports de Paris EUR	2.125	11-Oct-2038	2 213	2 428	
7 000	BNP Paribas S.A. EUR	1.250	19-Mar-2025	11 019	10 746	
8 000	BPCE S.A. EUR	0.625	26-Sep-2023	12 107	12 478	
8 500	BPCE S.A. EUR	0.875	31-Jan-2024	12 925	13 052	
5 500	BPCE S.A. USD	5.150	21-Jul-2024	6 278	7 548	
1 500	Carrefour S.A. EUR	0.875	12-Jun-2023	2 261	2 328	
21 400	Credit Agricole SA EUR	0.750	05-Dec-2023	32 078	33 530	
6 500	Credit Agricole Assurances S.A. EUR	2.625	29-Jan-2048	9 915	8 861	
10 000	Credit Agricole Assurances S.A. EUR	4.250	Perpetual	16 454	15 544	
12 000	Credit Agricole S.A. EUR	1.375	13-Mar-2025	19 168	18 611	
6 000	Engie S.A. EUR	0.875	27-Mar-2024	8 945	9 485	
10 000	Engie S.A. EUR	0.875	19-Sep-2025	15 149	15 573	
4 000	Engie S.A. EUR	1.375	22-Jun-2028	6 100	6 288	
11 000	HSBC France S.A. EUR	0.200	04-Sep-2021	16 625	17 176	
3 000	HSBC France S.A. EUR	0.600	20-Mar-2023	4 734	4 700	
7 500	Orange S.A. USD	4.125	14-Sep-2021	10 457	10 450	
4 000	Orange S.A. EUR	1.875	12-Sep-2030	6 101	6 209	
4 000	Orange S.A. GBP	5.625	23-Jan-2034	9 624	9 043	
2 000	Orange S.A. GBP	5.375	22-Nov-2050	4 667	4 676	
1 000	RTE Réseau de Transport d'Electricite SADIR EUR	2.125	27-Sep-2038	1 505	1 561	
3 000	Schneider Electric SE EUR	1.375	21-Jun-2027	4 550	4 765	
14 000	Total Capital International S.A. USD	2.700	25-Jan-2023	16 754	18 680	
1 000	Total Capital International S.A. GBP	1.750	07-Jul-2025	1 750	1 725	
4 000	Total S.A. EUR	3.875	Perpetual	5 929	6 655	
				237 308	242 112	2.3
Gabon						
1 045	Gabonese Republic USD	6.375	12-Dec-2024	1 277	1 284	
				1 277	1 284	—
Georgia						
1 850	Georgia Government USD	6.875	12-Apr-2021	2 586	2 660	
1 760	Georgian Railway JSC USD	7.750	11-Jul-2022	2 531	2 492	
				5 117	5 152	—
Germany						
6 000	Allianz SE EUR	3.375	Perpetual	9 339	9 712	
2 000	BASF SE EUR	0.875	22-May-2025	3 035	3 137	
17 000	BMW Finance N.V. EUR	0.500	22-Nov-2022	25 947	26 460	
8 000	BMW Finance N.V. EUR	0.375	10-Jul-2023	11 974	12 288	
3 000	BMW International Investment BV GBP	1.750	19-Apr-2022	5 376	5 187	
10 000	Daimler International Finance BV EUR	0.250	09-Aug-2021	15 207	15 571	
4 000	Daimler International Finance BV GBP	2.000	04-Sep-2023	6 694	6 854	
2 500	Deutsche Telekom International Finance BV EUR	0.625	01-Dec-2022	3 766	3 929	
5 000	Deutsche Telekom International Finance BV EUR	0.625	13-Dec-2024	7 620	7 688	
10 000	Deutsche Telekom International Finance BV EUR	1.375	01-Dec-2025	15 076	15 896	
3 000	Deutsche Telekom International Finance BV EUR	1.375	30-Jan-2027	4 445	4 687	
8 000	Deutsche Telekom International Finance BV USD	4.375	21-Jun-2028	10 499	10 781	
6 500	Deutsche Telekom International Finance BV GBP	7.625	15-Jun-2030	16 624	16 359	
1 000	E.ON International Finance BV GBP	6.375	07-Jun-2032	1 999	2 303	
4 000	innogy Finance BV EUR	1.500	31-Jul-2029	6 054	6 024	
2 500	innogy Finance BV GBP	6.250	03-Jun-2030	6 072	5 620	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Germany (cont.)						
6 000	Muenchener Rueckversicherungs- Gesellschaft AG in Muenchen EUR	3.250	26-May-2049	\$ 8 888	\$ 9 578	
6 700	RWE Finance BV GBP	4.750	31-Jan-2034	12 783	13 390	
12 000	SAP SE EUR	0.750	10-Dec-2024	17 888	18 821	
7 500	SAP SE EUR	1.625	10-Mar-2031	11 090	11 811	
10 000	Siemens Financieringsmaatschappij N.V. USD	1.700	15-Sep-2021	12 797	13 096	
5 475	Siemens Financieringsmaatschappij N.V. USD	3.250	27-May-2025	6 851	7 335	
1 500	Siemens Financieringsmaatschappij N.V. EUR	1.375	06-Sep-2030	2 259	2 339	
5 000	Siemens Financieringsmaatschappij N.V. GBP	3.750	10-Sep-2042	10 369	10 086	
6 000	Volkswagen Bank GmbH EUR	1.250	10-Jun-2024	9 006	9 085	
4 500	Volkswagen Bank GmbH EUR	1.250	15-Dec-2025	6 736	6 570	
2 800	Volkswagen Financial Services N.V. GBP	1.875	07-Sep-2021	4 685	4 829	
1 000	Volkswagen International Finance N.V. EUR	2.500	Perpetual	1 370	1 505	
3 000	Volkswagen International Finance N.V. EUR	2.700	Perpetual	4 536	4 442	
3 000	Volkswagen International Finance N.V. EUR	3.375	Perpetual	4 626	4 403	
11 500	Volkswagen Leasing GmbH EUR	0.250	16-Feb-2021	17 380	17 859	
11 000	Volkswagen Leasing GmbH EUR	1.000	16-Feb-2023	16 645	16 878	
5 000	Volkswagen Leasing GmbH EUR	1.125	04-Apr-2024	7 293	7 560	
4 000	Volkswagen Leasing GmbH EUR	1.375	20-Jan-2025	5 886	6 021	
4 000	Volkswagen Leasing GmbH EUR	1.625	15-Aug-2025	6 047	6 041	
8 000	Vonovia Finance BV EUR	0.875	03-Jul-2023	12 343	12 341	
10 000	Vonovia Finance BV EUR	0.750	15-Jan-2024	14 783	15 136	
2 000	Vonovia Finance BV EUR	1.500	22-Mar-2026	3 185	3 040	
5 000	Vonovia Finance BV EUR	1.500	14-Jan-2028	7 392	7 359	
				354 565	362 021	3.4
Ghana						
2 445	Republic of Ghana USD	7.875	07-Aug-2023	3 279	3 281	
				3 279	3 281	—
Guatemala						
880	Republic of Guatemala USD	5.750	06-Jun-2022	1 200	1 247	
4 035	Republic of Guatemala USD	4.500	03-May-2026	5 228	5 185	
				6 428	6 432	0.1
Honduras						
3 040	Honduras Government USD	6.250	19-Jan-2027	4 132	4 110	
				4 132	4 110	—
Hungary						
630	Hungary Government USD	6.250	29-Jan-2020	918	886	
5 470	Hungary Government USD	5.375	25-Mar-2024	7 740	8 021	
1 150	Hungary Government USD	7.625	29-Mar-2041	2 092	2 210	
				10 750	11 117	0.1
India						
3 275	Export-Import Bank of India USD	3.375	05-Aug-2026	4 081	4 118	
2 100	Export-Import Bank of India USD	3.875	01-Feb-2028	2 583	2 694	
900	NTPC Ltd. USD	5.625	14-Jul-2021	1 236	1 280	
				7 900	8 092	0.1
Indonesia						
875	Government of Indonesia USD	4.875	05-May-2021	1 174	1 223	
4 025	Government of Indonesia USD	4.125	15-Jan-2025	5 385	5 425	
4 450	Government of Indonesia USD	5.250	17-Jan-2042	6 209	6 132	
2 400	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	3 037	2 928	
3 915	Pertamina Persero PT USD	5.625	20-May-2043	4 893	5 075	
3 175	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	4 342	4 342	
4 025	Perusahaan Listrik Negara PT USD	5.500	22-Nov-2021	5 229	5 680	
				30 269	30 805	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ireland						
3 500	Abbott Ireland Financing DAC EUR	0.875	27-Sep-2023	\$ 5 326	\$ 5 476	
2 950	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	3 837	3 825	
1 650	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	2 168	2 255	
3 850	GE Capital UK Funding GBP	5.875	18-Jan-2033	8 599	7 472	
				19 930	19 028	0.2
Italy						
10 000	Buoni Poliennali Del Tesoro EUR	2.800	01-Dec-2028	14 196	15 747	
6 000	Eni S.p.A. EUR	4.250	03-Feb-2020	9 834	9 813	
3 000	Eni S.p.A. EUR	0.625	19-Sep-2024	4 565	4 552	
4 300	Eni S.p.A. EUR	1.500	02-Feb-2026	6 370	6 714	
				34 965	36 826	0.3
Ivory Coast						
3 534	Ivory Coast Government USD	5.750	31-Dec-2032	4 268	4 271	
				4 268	4 271	—
Jamaica						
1 900	Jamaica Government USD	7.625	09-Jul-2025	2 930	2 923	
2 330	Jamaica Government USD	6.750	28-Apr-2028	3 383	3 408	
1 900	Jamaica Government USD	7.875	28-Jul-2045	2 937	2 966	
				9 250	9 297	0.1
Jordan						
4 550	Jordan Government USD	6.125	29-Jan-2026	5 908	5 977	
				5 908	5 977	0.1
Kazakhstan						
4 225	Government of Kazakhstan USD	5.125	21-Jul-2025	5 860	6 114	
5 745	Government of Kazakhstan USD	4.875	14-Oct-2044	7 279	7 839	
1 700	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	2 215	2 265	
				15 354	16 218	0.2
Kenya						
1 450	Kenya Government USD	6.875	24-Jun-2024	1 902	1 867	
1 375	Kenya Government USD	7.250	28-Feb-2028	1 768	1 685	
				3 670	3 552	—
Lebanon						
1 200	Lebanon Government USD	5.450	28-Nov-2019	1 474	1 583	
				1 474	1 583	—
Luxembourg						
2 460	Altice Financing S.A. USD	6.625	15-Feb-2023	3 180	3 232	
10 700	ArcelorMittal USD	8.000	15-Oct-2039	15 496	15 435	
3 700	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	4 849	4 736	
6 000	INEOS Group Holdings S.A. USD	5.625	01-Aug-2024	7 846	7 283	
2 150	Intelsat Jackson Holdings S.A. USD	8.000	15-Feb-2024	2 847	3 031	
5 500	Schlumberger Investment S.A. USD	3.650	01-Dec-2023	7 072	7 549	
				41 290	41 266	0.4
Malaysia						
6 326	1MDB Energy Ltd. USD	5.990	11-May-2022	8 819	8 759	
2 585	Petronas Capital Ltd. USD	3.500	18-Mar-2025	3 453	3 477	
825	Petronas Capital Ltd. USD	4.500	18-Mar-2045	1 060	1 134	
				13 332	13 370	0.1
Mexico						
2 575	Banco Nacional de Comercio Exterior SNC USD	3.800	11-Aug-2026	3 273	3 366	
1 775	Cemex S.A.B. de C.V. USD	5.700	11-Jan-2025	2 438	2 329	
975	Comision Federal de Electricidad USD	4.875	26-May-2021	1 283	1 344	
1 400	Mexico City Airport Trust USD	5.500	31-Jul-2047	1 631	1 689	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Mexico (cont.)						
7 125	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	\$ 9 271	\$ 8 540	
3 600	Petroleos Mexicanos USD	5.375	13-Mar-2022	4 892	4 839	
4 874	United Mexican States USD	5.750	12-Oct-2110	6 253	6 282	
				29 041	28 389	0.3
Mongolia						
3 448	Mongolia Government USD	5.125	05-Dec-2022	4 187	4 431	
				4 187	4 431	—
Morocco						
2 575	OCP S.A. USD	5.625	25-Apr-2024	3 418	3 611	
2 135	OCP S.A. USD	6.875	25-Apr-2044	2 981	3 040	
				6 399	6 651	0.1
Netherlands						
9 500	Cooperatieve Rabobank U.A. EUR	3.750	09-Nov-2020	14 944	15 793	
9 500	Cooperatieve Rabobank U.A. EUR	0.750	29-Aug-2023	14 272	14 831	
4 000	Cooperatieve Rabobank U.A. AUD	5.000	25-Feb-2021	4 257	4 048	
2 000	Cooperatieve Rabobank U.A. GBP	5.250	14-Sep-2027	3 332	3 915	
1 000	Cooperatieve Rabobank U.A. GBP	5.250	23-May-2041	2 455	2 417	
2 500	Heineken N.V. EUR	1.500	07-Dec-2024	4 045	4 038	
22 000	ING Bank N.V. EUR	0.375	26-Nov-2021	33 177	34 627	
3 000	ING Bank N.V. EUR	3.625	25-Feb-2026	4 570	4 960	
20 500	ING Groep N.V. EUR	0.750	09-Mar-2022	29 580	32 051	
15 000	ING Groep N.V. USD	3.150	29-Mar-2022	19 021	20 149	
6 500	ING Groep N.V. EUR	1.000	20-Sep-2023	9 791	10 112	
5 000	ING Groep N.V. EUR	1.125	14-Feb-2025	7 679	7 671	
2 500	ING Groep N.V. EUR	2.000	20-Sep-2028	3 775	3 905	
5 000	ING Groep N.V. EUR	2.500	15-Feb-2029	7 592	7 900	
7 500	ING Groep N.V. EUR	2.500	15-Nov-2030	11 190	12 104	
7 250	LYB International Finance BV USD	4.875	15-Mar-2044	9 724	9 030	
2 000	Royal Schiphol Group N.V. EUR	1.500	05-Nov-2030	2 965	3 175	
3 000	Shell International Finance BV USD	2.875	10-May-2026	3 706	3 928	
10 500	Shell International Finance BV USD	6.375	15-Dec-2038	16 768	18 220	
7 000	Shell International Finance BV USD	5.500	25-Mar-2040	10 822	11 068	
5 000	Toyota Motor Finance Netherlands BV EUR	0.625	26-Sep-2023	7 522	7 825	
2 000	Unilever N.V. EUR	0.500	06-Jan-2025	2 996	3 080	
6 500	Unilever N.V. EUR	1.125	12-Feb-2027	10 050	10 147	
3 500	Unilever N.V. EUR	1.375	04-Sep-2030	5 240	5 374	
				239 473	250 368	2.3
New Zealand						
6 250	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	8 091	8 138	
				8 091	8 138	0.1
Nigeria						
600	Nigeria Government USD	6.375	12-Jul-2023	797	789	
4 345	Nigeria Government USD	7.875	16-Feb-2032	5 983	5 415	
850	Nigeria Government USD	7.625	28-Nov-2047	981	981	
				7 761	7 185	0.1
Oman						
4 270	Oman Government USD	4.750	15-Jun-2026	5 464	5 061	
1 760	Oman Government USD	6.500	08-Mar-2047	2 299	1 948	
				7 763	7 009	0.1
Pakistan						
1 100	Pakistan Government USD	8.250	15-Apr-2024	1 507	1 523	
1 700	The Third Pakistan International Sukuk Co. Ltd. USD	5.625	05-Dec-2022	2 085	2 202	
				3 592	3 725	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Panama						
4 125	Republic of Panama USD	7.125	29-Jan-2026	\$ 6 378	\$ 6 650	
4 375	Republic of Panama USD	6.700	26-Jan-2036	7 085	7 317	
				13 463	13 967	0.1
Paraguay						
3 630	Republic of Paraguay USD	4.625	25-Jan-2023	4 804	5 000	
3 875	Republic of Paraguay USD	6.100	11-Aug-2044	5 326	5 496	
				10 130	10 496	0.1
Peru						
3 415	Corp Financiera de Desarrollo S.A. USD	4.750	08-Feb-2022	4 663	4 726	
9 370	Peruvian Government USD	8.750	21-Nov-2033	18 638	18 945	
				23 301	23 671	0.2
Philippines						
5 235	Republic of Philippines USD	7.750	14-Jan-2031	9 252	9 652	
950	Republic of Philippines USD	3.700	01-Mar-2041	1 122	1 234	
				10 374	10 886	0.1
Poland						
6 140	Government of Poland USD	3.250	06-Apr-2026	8 138	8 244	
				8 138	8 244	0.1
Qatar						
2 925	State of Qatar USD	2.375	02-Jun-2021	3 720	3 908	
5 080	State of Qatar USD	6.400	20-Jan-2040	8 318	8 708	
				12 038	12 616	0.1
Romania						
3 596	Romanian Government USD	6.750	07-Feb-2022	5 207	5 291	
1 965	Romanian Government USD	6.125	22-Jan-2044	3 137	2 995	
				8 344	8 286	0.1
Russia						
1 550	Gazprom PAO USD	4.950	19-Jul-2022	2 019	2 139	
3 955	Gazprom PAO USD	7.288	16-Aug-2037	5 875	6 037	
5 300	Russian Foreign Bond - Eurobond USD	4.875	16-Sep-2023	6 973	7 392	
5 382	Russian Foreign Bond - Eurobond USD	4.750	27-May-2026	7 246	7 304	
				22 113	22 872	0.2
Rwanda						
4 755	Rwanda International Government USD	6.625	02-May-2023	6 115	6 471	
				6 115	6 471	0.1
Saudi Arabia						
5 525	Saudi Government USD	4.500	17-Apr-2030	7 251	7 531	
				7 251	7 531	0.1
Senegal						
1 285	Senegal Government USD	6.250	30-Jul-2024	1 730	1 713	
1 100	Senegal Government USD	6.750	13-Mar-2048	1 287	1 252	
				3 017	2 965	–
Serbia						
7 285	Republic of Serbia USD	7.250	28-Sep-2021	10 739	10 731	
				10 739	10 731	0.1
South Africa						
1 280	Eskom Holdings Ltd. USD	5.750	26-Jan-2021	1 607	1 652	
1 530	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	1 988	1 912	
5 060	Republic of South Africa USD	4.665	17-Jan-2024	6 586	6 773	
1 725	Republic of South Africa USD	4.850	27-Sep-2027	2 137	2 204	
4 855	Republic of South Africa USD	6.250	08-Mar-2041	6 840	6 467	
850	Republic of South Africa USD	5.650	27-Sep-2047	988	1 038	
4 160	Transnet SOC Ltd. USD	4.000	26-Jul-2022	5 270	5 334	
				25 416	25 380	0.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Spain						
7 500	CaixaBank S.A. EUR	0.750	18-Apr-2023	\$ 11 199	\$ 11 475	
5 000	CaixaBank S.A. EUR	1.750	24-Oct-2023	7 458	7 780	
3 000	CaixaBank S.A. EUR	3.500	15-Feb-2027	4 716	4 832	
3 000	CaixaBank S.A. EUR	2.250	17-Apr-2030	4 656	4 264	
3 900	Iberdrola Finanzas S.A. GBP	7.375	29-Jan-2024	8 759	8 441	
12 000	Iberdrola Finanzas S.A. EUR	1.000	07-Mar-2025	17 078	18 741	
9 500	Iberdrola Finanzas S.A. EUR	1.250	28-Oct-2026	14 552	14 732	
3 000	Iberdrola International BV EUR	3.500	01-Feb-2021	4 822	5 030	
4 000	Iberdrola International BV EUR	1.875	Perpetual	6 049	5 869	
2 500	Iberdrola International BV EUR	2.625	Perpetual	4 029	3 791	
3 000	Telefonica Emisiones S.A.U. EUR	2.242	27-May-2022	4 405	4 965	
5 000	Telefonica Emisiones S.A.U. EUR	3.987	23-Jan-2023	8 498	8 878	
4 000	Telefonica Emisiones S.A.U. EUR	1.447	22-Jan-2027	5 928	6 096	
2 500	Telefonica Emisiones S.A.U. EUR	2.932	17-Oct-2029	3 861	4 165	
				106 010	109 059	1.0
Sri Lanka						
4 215	Sri Lanka Government USD	6.250	04-Oct-2020	5 681	5 620	
1 700	Sri Lanka Government USD	5.875	25-Jul-2022	2 391	2 184	
2 775	Sri Lanka Government USD	6.825	18-Jul-2026	3 578	3 525	
				11 650	11 329	0.1
Sweden						
9 500	Nordea Bank AB EUR	4.500	26-Mar-2020	14 664	15 639	
5 000	Nordea Bank AB EUR	0.875	26-Jun-2023	7 649	7 787	
2 500	Swedbank AB EUR	1.000	22-Nov-2027	3 724	3 824	
9 000	Svenska Handelsbanken AB GBP	1.625	18-Jun-2022	15 593	15 564	
				41 630	42 814	0.4
Switzerland						
10 500	Credit Suisse AG EUR	1.375	31-Jan-2022	15 297	16 914	
7 000	Credit Suisse Group AG GBP	2.125	12-Sep-2025	11 484	11 578	
3 500	Novartis Capital Corp. USD	2.400	21-Sep-2022	4 315	4 670	
3 500	Novartis Capital Corp. USD	3.100	17-May-2027	4 366	4 634	
13 000	Novartis Capital Corp. USD	4.400	06-May-2044	17 935	19 030	
5 000	Tyco Electronics Group S.A. USD	3.500	03-Feb-2022	6 631	6 836	
6 500	Tyco Electronics Group S.A. USD	3.700	15-Feb-2026	8 971	8 644	
10 000	UBS AG USD	2.350	26-Mar-2020	12 602	13 517	
7 600	UBS AG EUR	0.250	10-Jan-2022	11 434	11 839	
16 000	UBS AG EUR	0.625	23-Jan-2023	24 834	25 052	
13 020	UBS Group Funding Jersey Ltd. USD	4.125	15-Apr-2026	16 997	17 677	
21 500	UBS Group Funding Switzerland AG EUR	1.250	17-Apr-2025	33 453	33 203	
10 000	Zurich Insurance Co. Ltd. EUR	1.500	15-Dec-2028	14 880	15 384	
				183 199	188 978	1.8
Turkey						
6 875	Export Credit Bank of Turkey USD	5.375	08-Feb-2021	8 961	9 096	
2 675	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	3 204	3 340	
900	Republic of Turkey USD	7.375	05-Feb-2025	1 291	1 273	
1 250	Republic of Turkey USD	6.000	25-Mar-2027	1 469	1 615	
9 790	Republic of Turkey USD	4.875	16-Apr-2043	10 433	9 974	
				25 358	25 298	0.2
Ukraine						
4 350	JSC Ukreximbank USD	9.625	27-Apr-2022	5 787	5 831	
6 435	Ukraine Government USD	7.750	01-Sep-2022	8 552	8 100	
2 350	Ukraine Government USD	7.750	01-Sep-2024	2 871	2 834	
800	Ukraine Government USD	7.375	25-Sep-2032	876	873	
				18 086	17 638	0.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Arab Emirates						
1 825	Emirate of Dubai USD	7.750	05-Oct-2020	\$ 2 630	\$ 2 679	
3 859	Emirate of Dubai USD	5.250	30-Jan-2043	4 922	5 274	
				7 552	7 953	0.1
United Kingdom						
3 090	Ashtead Capital Inc. USD	5.625	01-Oct-2024	3 991	4 276	
1 840	Ashtead Capital Inc. USD	5.250	01-Aug-2026	2 434	2 437	
5 195	Ashtead Capital Inc. USD	4.375	15-Aug-2027	6 581	6 418	
300	Aviva Plc. CAD	4.500	10-May-2021	299	306	
8 000	Aviva Plc. EUR	0.625	27-Oct-2023	11 077	12 269	
6 800	Barclays Bank Plc. AUD	4.500	04-Apr-2019	6 925	6 571	
16 000	Barclays Bank Plc. EUR	6.000	14-Jan-2021	27 419	26 969	
200 000	Barclays Plc. JPY	0.823	17-Sep-2020	2 366	2 482	
9 000	Barclays Plc. EUR	1.875	23-Mar-2021	13 432	14 321	
11 000	Barclays Plc. GBP	2.375	06-Oct-2023	18 271	18 577	
3 250	Barclays Plc. EUR	0.625	14-Nov-2023	4 784	4 833	
3 000	Barclays Plc. EUR	1.375	24-Jan-2026	4 558	4 351	
7 500	BP Capital Markets Plc. EUR	1.526	26-Sep-2022	11 584	12 178	
7 175	BP Capital Markets Plc. USD	3.814	10-Feb-2024	9 562	9 897	
7 500	BP Capital Markets Plc. EUR	0.900	03-Jul-2024	11 507	11 722	
9 500	BP Capital Markets Plc. EUR	1.077	26-Jun-2025	13 990	14 801	
4 000	BP Capital Markets Plc. GBP	2.274	03-Jul-2026	6 937	6 921	
6 000	BP Capital Markets Plc. EUR	1.594	03-Jul-2028	9 205	9 366	
3 000	British Sky Broadcasting Group Plc. GBP	6.000	21-May-2027	6 823	6 531	
7 000	British Telecommunications Plc. EUR	0.875	26-Sep-2023	10 554	10 747	
4 600	British Telecommunications Plc. EUR	1.000	21-Nov-2024	6 857	6 949	
1 750	British Telecommunications Plc. EUR	1.750	10-Mar-2026	2 645	2 712	
5 000	British Telecommunications Plc. GBP	3.125	21-Nov-2031	8 346	8 370	
4 200	Cadent Finance Plc. GBP	3.125	21-Mar-2040	7 500	6 944	
7 000	Diageo Capital Plc. USD	2.625	29-Apr-2023	8 753	9 276	
5 000	Diageo Finance Plc. EUR	0.250	22-Oct-2021	7 507	7 836	
2 000	Diageo Finance Plc. EUR	0.500	19-Jun-2024	2 947	3 077	
7 500	Diageo Finance Plc. EUR	1.000	22-Apr-2025	11 185	11 756	
4 500	Diageo Finance Plc. EUR	1.500	22-Oct-2027	6 748	7 120	
2 500	Diageo Investment Corp. USD	2.875	11-May-2022	3 196	3 381	
3 000	Diageo Investment Corp. USD	4.250	11-May-2042	3 209	4 171	
6 000	FCE Bank Plc. EUR	1.660	11-Feb-2021	8 756	9 395	
6 000	FCE Bank Plc. EUR	1.875	24-Jun-2021	8 790	9 366	
2 000	FCE Bank Plc. EUR	1.134	10-Feb-2022	3 049	3 025	
4 200	Friends Life Holdings Plc. GBP	8.250	21-Apr-2022	9 345	8 553	
7 000	GlaxoSmithKline Capital Inc. USD	2.800	18-Mar-2023	8 611	9 398	
4 000	GlaxoSmithKline Capital Plc. EUR	1.250	21-May-2026	6 098	6 290	
2 000	GlaxoSmithKline Capital Plc. EUR	1.750	21-May-2030	3 052	3 195	
16 000	GlaxoSmithKline Capital Inc. USD	6.375	15-May-2038	26 610	27 524	
9 500	Heathrow Funding Ltd. GBP	5.225	15-Feb-2023	20 239	18 656	
1 250	HSBC Bank Plc. GBP	5.375	22-Aug-2033	2 782	2 518	
10 000	HSBC Holdings Plc. USD	5.100	05-Apr-2021	13 027	14 122	
8 500	HSBC Holdings Plc. EUR	1.500	15-Mar-2022	12 344	13 540	
9 000	HSBC Holdings Plc. USD	3.600	25-May-2023	11 613	12 223	
6 500	HSBC Holdings Plc. GBP	2.175	27-Jun-2023	11 383	11 177	
3 000	HSBC Holdings Plc. CAD	3.196	05-Dec-2023	3 000	2 965	
13 000	HSBC Holdings Plc. EUR	1.500	04-Dec-2024	19 452	20 367	
10 000	HSBC Holdings Plc. GBP	2.256	13-Nov-2026	16 735	16 581	
4 000	HSBC Holdings Plc. GBP	2.625	16-Aug-2028	6 916	6 720	
3 000	HSBC Holdings Plc. USD	4.583	19-Jun-2029	3 902	4 067	
3 000	Lloyds Bank Plc. EUR	6.500	24-Mar-2020	4 990	5 006	
2 400	Lloyds Bank Plc. GBP	9.625	06-Apr-2023	5 393	5 281	
17 000	Lloyds Banking Group Plc. USD	3.000	11-Jan-2022	21 615	22 466	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Kingdom (cont.)						
19 000	Lloyds Banking Group Plc. EUR	0.625	15-Jan-2024	\$ 28 241	\$ 28 332	
1 500	Lloyds Banking Group Plc. GBP	2.250	16-Oct-2024	2 463	2 501	
7 000	Lloyds Banking Group Plc. EUR	1.750	07-Sep-2028	10 911	10 183	
6 500	Lloyds TSB Bank Plc. GBP	6.500	17-Sep-2040	15 276	16 706	
13 000	National Grid Gas Finance Plc. EUR	0.625	22-Sep-2024	18 496	19 796	
1 000	National Grid Gas Finance Plc. GBP	2.750	22-Sep-2046	1 557	1 502	
3 000	Nationwide Building Society EUR	6.750	22-Jul-2020	5 123	5 101	
5 500	Nationwide Building Society EUR	0.625	19-Apr-2023	7 734	8 497	
10 000	Nationwide Building Society USD	3.766	08-Mar-2024	12 905	13 151	
5 500	Nationwide Building Society EUR	1.500	08-Mar-2026	8 592	8 182	
7 000	Nationwide Building Society EUR	2.000	25-Jul-2029	10 319	10 161	
19 500	Natwest Markets Plc. EUR	0.625	02-Mar-2022	30 373	29 641	
3 500	Natwest Markets Plc. EUR	1.125	14-Jun-2023	5 330	5 321	
10 000	Royal Bank of Scotland Group Plc. USD	4.519	25-Jun-2024	13 311	13 408	
13 000	Sky Plc. EUR	1.500	15-Sep-2021	19 319	20 872	
8 000	Sky Plc. EUR	2.250	17-Nov-2025	12 338	13 176	
3 000	Smiths Group Plc. EUR	1.250	28-Apr-2023	4 221	4 704	
13 000	Smiths Group Plc. EUR	2.000	23-Feb-2027	19 498	20 118	
3 000	United Kingdom Gilt GBP	4.500	07-Sep-2034	7 262	7 302	
3 000	United Kingdom Gilt GBP	3.250	22-Jan-2044	6 832	6 695	
3 000	Vodafone Group Plc. EUR	0.375	22-Nov-2021	4 178	4 682	
12 000	Vodafone Group Plc. USD	2.500	26-Sep-2022	13 978	15 737	
3 500	Vodafone Group Plc. EUR	2.200	25-Aug-2026	5 700	5 668	
9 000	Vodafone Group Plc. EUR	1.500	24-Jul-2027	13 015	13 704	
2 500	Vodafone Group Plc. EUR	1.875	20-Nov-2029	3 733	3 789	
1 200	Vodafone Group Plc. GBP	3.000	12-Aug-2056	2 051	1 675	
6 700	Zurich Finance UK Plc. GBP	6.625	Perpetual	13 889	12 745	
				775 539	793 349	7.4
United States						
3 000	21st Century Fox America Inc.	4.500	15-Feb-2021	4 241	4 207	
12 450	Abbott Laboratories	2.900	30-Nov-2021	15 507	16 839	
2 800	Abbott Laboratories	3.400	30-Nov-2023	3 578	3 815	
5 000	AbbVie Inc.	2.500	14-May-2020	6 159	6 762	
5 000	AbbVie Inc.	2.900	06-Nov-2022	6 686	6 648	
6 500	AbbVie Inc.	4.500	14-May-2035	8 228	8 241	
9 795	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	12 474	10 297	
3 500	Air Lease Corp.	3.750	01-Feb-2022	4 707	4 731	
4 500	Air Lease Corp.	3.875	03-Jul-2023	5 846	6 052	
7 000	Alabama Power Co.	5.875	01-Dec-2022	9 448	10 486	
4 770	Alabama Power Co.	4.150	15-Aug-2044	6 276	6 395	
7 655	Alcoa Nederland Holding BV	6.750	30-Sep-2024	10 620	10 660	
1 070	Alcoa Nederland Holding BV	7.000	30-Sep-2026	1 483	1 497	
5 000	Altria Group Inc.	2.850	09-Aug-2022	6 446	6 558	
8 000	Altria Group Inc.	4.000	31-Jan-2024	9 557	10 745	
12 000	Altria Group Inc.	5.375	31-Jan-2044	17 861	15 339	
13 000	Amazon.com Inc.	3.150	22-Aug-2027	16 506	17 153	
3 300	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	5 944	5 371	
3 925	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	4 733	4 608	
2 025	AMC Entertainment Holdings Inc.	6.125	15-May-2027	2 446	2 377	
2 390	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	3 014	2 981	
8 370	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	10 637	10 270	
8 000	American Electric Power Co. Inc.	2.950	15-Dec-2022	9 607	10 719	
11 000	American Express Co.	2.650	02-Dec-2022	12 035	14 540	
8 000	American Honda Finance Corp.	1.650	12-Jul-2021	10 383	10 525	
6 000	American Honda Finance Corp.	2.900	16-Feb-2024	7 642	7 936	
2 500	American International Group Inc.	4.875	01-Jun-2022	2 825	3 544	
11 000	AmerisourceBergen Corp.	3.400	15-May-2024	13 150	14 664	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
5 000	Anheuser-Busch InBev Finance Inc.	2.625	17-Jan-2023	\$ 6 507	\$ 6 503	
10 000	Anheuser-Busch InBev Worldwide Inc.	3.500	12-Jan-2024	12 956	13 353	
17 300	Anheuser-Busch InBev Worldwide Inc.	3.650	01-Feb-2026	22 509	22 345	
14 700	Anheuser-Busch InBev Worldwide Inc.	4.000	13-Apr-2028	19 082	19 244	
5 570	Anheuser-Busch InBev Worldwide Inc.	6.375	15-Jan-2040	8 009	8 399	
12 000	Anheuser-Busch InBev Worldwide Inc.	4.900	01-Feb-2046	17 921	15 245	
12 000	Anheuser-Busch InBev Worldwide Inc.	4.600	15-Apr-2048	15 617	14 763	
3 832	Apache Corp.	3.625	01-Feb-2021	5 073	5 225	
3 929	Apache Corp.	3.250	15-Apr-2022	4 922	5 255	
2 100	Apple Inc. AUD	3.700	28-Aug-2022	2 107	2 094	
7 500	Apple Inc. AUD	3.350	10-Jan-2024	7 291	7 362	
3 000	Apple Inc. EUR	0.875	24-May-2025	4 540	4 741	
17 000	Apple Inc.	3.350	09-Feb-2027	21 753	22 729	
25 000	Apple Inc.	3.850	04-Aug-2046	31 312	32 262	
5 000	Apple Inc.	3.750	13-Nov-2047	6 081	6 332	
3 100	Aptiv Plc.	4.400	01-Oct-2046	3 936	3 713	
6 000	AT&T Inc.	3.000	15-Feb-2022	7 711	8 042	
10 500	AT&T Inc.	3.950	15-Jan-2025	14 262	14 042	
7 000	AT&T Inc. GBP	2.900	04-Dec-2026	11 921	11 942	
6 000	AT&T Inc. EUR	2.350	05-Sep-2029	9 003	9 204	
5 750	AT&T Inc. GBP	4.375	14-Sep-2029	11 337	10 722	
2 000	AT&T Inc.	6.500	01-Sep-2037	3 011	3 097	
4 450	AT&T Inc. GBP	7.000	30-Apr-2040	11 837	10 774	
8 000	AT&T Inc.	5.550	15-Aug-2041	10 825	10 755	
12 000	AT&T Inc.	5.150	15-Mar-2042	16 197	15 371	
5 000	AutoNation Inc.	3.500	15-Nov-2024	6 291	6 323	
7 400	Avis Budget Car Rental LLC	5.250	15-Mar-2025	9 116	8 777	
6 400	Ball Corp.	4.875	15-Mar-2026	8 195	8 541	
5 000	Bank of America Corp.	2.250	21-Apr-2020	6 283	6 753	
12 000	Bank of America Corp.	5.000	13-May-2021	14 485	17 010	
15 920	Bank of America Corp.	5.700	24-Jan-2022	23 417	23 044	
32 000	Bank of America Corp. EUR	0.736	07-Feb-2022	45 698	50 306	
20 000	Bank of America Corp.	3.550	05-Mar-2024	25 664	26 988	
11 000	Bank of America Corp.	3.864	23-Jul-2024	14 554	14 990	
5 000	Bank of America Corp.	3.875	01-Aug-2025	6 802	6 762	
15 000	Bank of America Corp.	3.500	19-Apr-2026	19 699	19 742	
2 865	Barrick North America Finance LLC	7.500	15-Sep-2038	3 493	4 799	
7 800	Berry Global Inc.	4.500	15-Feb-2026	9 544	9 770	
18 500	Bio-Rad Laboratories Inc.	4.875	15-Dec-2020	25 387	25 904	
6 925	Blue Racer Midstream LLC	6.625	15-Jul-2026	9 118	8 839	
10 000	BMW US Capital LLC	3.450	12-Apr-2023	12 749	13 560	
5 200	Boyd Gaming Corp.	6.375	01-Apr-2026	6 984	6 895	
1 000	Boyd Gaming Corp.	6.000	15-Aug-2026	1 304	1 282	
14 000	BP Capital Markets America Inc.	2.750	10-May-2023	17 280	18 569	
9 525	Broadcom Corp.	3.625	15-Jan-2024	11 983	12 316	
7 700	Builders FirstSource Inc.	5.625	01-Sep-2024	10 127	9 789	
3 625	Calpine Corp.	5.250	01-Jun-2026	4 653	4 534	
4 955	Cardinal Health Inc.	2.400	15-Nov-2019	6 311	6 718	
3 000	Cardinal Health Inc.	3.500	15-Nov-2024	3 553	3 949	
10 000	Cardinal Health Inc.	4.500	15-Nov-2044	12 663	11 634	
10 000	Carlisle Cos Inc.	3.750	01-Dec-2027	12 399	12 965	
9 500	Caterpillar Financial Services Corp.	1.700	09-Aug-2021	12 292	12 453	
3 000	Caterpillar Financial Services Corp.	2.400	09-Aug-2026	3 723	3 772	
8 500	Caterpillar Inc.	3.803	15-Aug-2042	10 944	10 835	
12 000	CC Holdings GS V LLC	3.849	15-Apr-2023	14 011	16 238	
13 500	CCO Holdings LLC	5.750	15-Feb-2026	17 851	18 108	
1 000	CCO Holdings LLC	5.125	01-May-2027	1 255	1 275	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 550	CDW LLC	5.000	01-Sep-2023	\$ 1 940	\$ 2 090	
1 175	CDW LLC	5.000	01-Sep-2025	1 609	1 542	
7 800	Cedar Fair LP	5.375	15-Apr-2027	10 409	10 103	
5 250	CenturyLink Inc.	7.500	01-Apr-2024	6 781	6 934	
4 000	Charter Communications Operating LLC	4.464	23-Jul-2022	5 519	5 517	
5 000	Charter Communications Operating LLC	4.908	23-Jul-2025	6 595	6 794	
7 500	Chubb INA Holdings Inc. EUR	1.550	15-Mar-2028	11 758	11 656	
2 000	Chubb INA Holdings Inc. EUR	2.500	15-Mar-2038	3 143	3 091	
10 000	Church & Dwight Co. Inc.	2.875	01-Oct-2022	12 256	13 438	
6 000	Church & Dwight Co. Inc.	3.150	01-Aug-2027	7 097	7 724	
7 875	Cinemark USA Inc.	4.875	01-Jun-2023	9 618	10 348	
7 000	Cintas Corp. No. 2	2.900	01-Apr-2022	8 812	9 407	
6 000	Cintas Corp. No. 2	3.250	01-Jun-2022	7 105	8 145	
8 185	Cintas Corp. No. 2	3.700	01-Apr-2027	10 548	10 939	
7 000	Cisco Systems Inc.	1.850	20-Sep-2021	9 004	9 295	
4 000	Cisco Systems Inc.	3.500	15-Jun-2025	5 079	5 490	
3 000	Cisco Systems Inc.	2.950	28-Feb-2026	4 047	3 911	
16 500	Cisco Systems Inc.	5.900	15-Feb-2039	25 337	27 873	
2 000	Cisco Systems Inc.	5.500	15-Jan-2040	3 182	3 232	
2 450	CIT Group Inc.	5.000	01-Aug-2023	2 954	3 286	
3 000	CIT Group Inc.	5.250	07-Mar-2025	3 945	4 014	
700 000	Citigroup Global Markets Holdings Inc. JPY	2.473	12-Nov-2024	9 456	9 738	
100 000	Citigroup Inc. JPY	2.040	16-Sep-2020	1 165	1 285	
12 000	Citigroup Inc.	4.500	14-Jan-2022	16 094	16 750	
4 000	Citigroup Inc. EUR	0.750	26-Oct-2023	6 182	6 152	
200 000	Citigroup Inc. JPY	2.360	16-Sep-2025	2 675	2 797	
13 500	Citigroup Inc.	3.400	01-May-2026	17 679	17 372	
20 000	Citigroup Inc. EUR	1.500	24-Jul-2026	30 745	30 978	
10 000	Columbia Pipeline Group Inc.	4.500	01-Jun-2025	13 866	13 774	
8 000	Columbia Pipeline Group Inc.	5.800	01-Jun-2045	12 294	11 766	
4 500	Comcast Corp.	3.450	01-Oct-2021	5 764	6 208	
4 500	Comcast Corp.	1.625	15-Jan-2022	5 677	5 882	
8 380	Comcast Corp.	3.150	01-Mar-2026	10 948	10 962	
10 000	Comcast Corp.	3.550	01-May-2028	12 281	13 201	
1 000	Comcast Corp.	4.150	15-Oct-2028	1 282	1 389	
9 500	Comcast Corp.	7.050	15-Mar-2033	14 592	16 147	
4 000	Comcast Corp.	6.950	15-Aug-2037	7 072	6 733	
5 000	ConocoPhillips Co.	4.950	15-Mar-2026	7 269	7 315	
13 000	ConocoPhillips Holding Co.	6.950	15-Apr-2029	20 145	21 984	
5 100	Consol Energy Inc.	5.875	15-Apr-2022	5 623	6 701	
1 800	Consolidated Edison Company of New York Inc.	5.700	01-Feb-2034	2 208	2 797	
3 000	Consolidated Edison Company of New York Inc.	5.300	01-Mar-2035	4 587	4 492	
5 000	Constellation Brands Inc.	2.700	09-May-2022	6 317	6 598	
7 000	Constellation Brands Inc.	4.250	01-May-2023	9 594	9 671	
10 660	CSC Holdings LLC	5.500	15-Apr-2027	14 228	13 571	
1 000	CSX Corp.	3.400	01-Aug-2024	1 277	1 365	
5 450	CSX Corp.	2.600	01-Nov-2026	6 636	6 783	
2 000	CSX Corp.	6.000	01-Oct-2036	2 786	3 185	
7 500	CSX Corp.	4.100	15-Mar-2044	8 613	9 544	
8 000	CVS Health Corp.	3.350	09-Mar-2021	10 327	10 891	
6 845	CVS Health Corp.	4.125	15-May-2021	9 096	9 460	
3 500	CVS Health Corp.	2.750	01-Dec-2022	4 594	4 603	
14 255	CVS Health Corp.	3.700	09-Mar-2023	18 411	19 270	
9 500	CVS Health Corp.	4.100	25-Mar-2025	12 215	12 873	
12 000	CVS Health Corp.	4.300	25-Mar-2028	15 411	16 072	
13 000	CVS Health Corp.	5.050	25-Mar-2048	17 134	17 326	
10 000	D.R. Horton Inc.	4.000	15-Feb-2020	13 738	13 680	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
6 325	D.R. Horton Inc.	5.750	15-Aug-2023	\$ 9 263	\$ 9 087	
4 500	Dana Inc.	5.500	15-Dec-2024	5 513	5 744	
1 000	Deere & Co.	3.900	09-Jun-2042	1 320	1 324	
8 500	Delphi Corp.	4.150	15-Mar-2024	10 841	11 628	
8 500	Diamond 1 Finance Corp.	6.020	15-Jun-2026	11 432	11 674	
7 000	Diamond 1 Finance Corp.	8.100	15-Jul-2036	9 752	10 411	
2 500	DISH DBS Corp.	5.875	15-Nov-2024	2 947	2 760	
4 500	Dominion Energy Inc.	2.000	15-Aug-2021	5 778	5 906	
4 200	Dominion Energy Inc.	4.050	15-Sep-2042	4 826	5 209	
10 000	Domtar Corp.	4.400	01-Apr-2022	11 004	13 730	
6 000	Duke Energy Corp.	2.650	01-Sep-2026	7 367	7 474	
15 000	Duke Energy Corp.	3.750	01-Sep-2046	17 988	17 802	
1 000	Enbridge Energy Partners LP	5.200	15-Mar-2020	1 301	1 395	
6 253	Enbridge Energy Partners LP	4.200	15-Sep-2021	7 899	8 657	
6 000	Enbridge Energy Partners LP	5.875	15-Oct-2025	8 515	8 891	
2 617	Enbridge Energy Partners LP	7.500	15-Apr-2038	3 826	4 517	
6 700	Enterprise Products Operating LLC	3.350	15-Mar-2023	8 195	9 030	
14 500	Enterprise Products Operating LLC	4.450	15-Feb-2043	17 145	18 050	
13 000	Enterprise Products Operating LLC	4.250	15-Feb-2048	15 871	15 816	
2 750	Equinix Inc.	5.375	01-Jan-2022	3 256	3 792	
2 060	Equinix Inc.	5.875	15-Jan-2026	2 794	2 840	
6 000	ERP Operating LP	4.625	15-Dec-2021	8 292	8 478	
6 000	ERP Operating LP	3.375	01-Jun-2025	8 212	8 059	
12 000	ERP Operating LP	3.500	01-Mar-2028	14 728	15 956	
4 000	ERP Operating LP	4.500	01-Jul-2044	5 499	5 523	
6 500	Everest Reinsurance Holdings Inc.	6.600	15-May-2037	7 223	7 831	
6 000	Expedia Group Inc. EUR	2.500	03-Jun-2022	9 139	9 716	
10 000	Exxon Mobil Corp.	2.726	01-Mar-2023	13 034	13 432	
5 000	Exxon Mobil Corp.	3.043	01-Mar-2026	6 505	6 669	
11 800	Exxon Mobil Corp.	4.114	01-Mar-2046	15 707	16 453	
6 000	Federal Realty Investment Trust	2.750	01-Jun-2023	6 023	7 896	
3 000	Federal Realty Investment Trust	3.950	15-Jan-2024	3 838	4 152	
9 000	Fidelity National Information Services Inc. EUR	0.400	15-Jan-2021	13 353	14 112	
2 000	Fidelity National Information Services Inc. GBP	1.700	30-Jun-2022	3 369	3 421	
9 500	Fidelity National Information Services Inc.	4.500	15-Oct-2022	12 760	13 368	
6 000	Fidelity National Information Services Inc. EUR	1.100	15-Jul-2024	8 873	9 314	
2 600	Fidelity National Information Services Inc.	5.000	15-Oct-2025	3 621	3 699	
4 500	Fidelity National Information Services Inc.	3.000	15-Aug-2026	5 589	5 664	
9 000	Flex Ltd.	4.625	15-Feb-2020	12 508	12 351	
8 100	Ford Motor Credit Co. LLC AUD	3.588	02-Jun-2020	7 702	7 829	
3 000	Frontier Communications Corp.	7.125	15-Jan-2023	3 357	2 334	
1 500	Frontier Communications Corp.	11.000	15-Sep-2025	2 007	1 285	
200 000	GE Capital Corp. JPY	2.215	20-Nov-2020	2 696	2 519	
13 000	GE Capital Corp.	5.875	14-Jan-2038	17 175	17 033	
5 000	General Electric Co.	3.450	15-May-2024	6 283	6 419	
2 500	General Electric Co. EUR	0.875	17-May-2025	3 691	3 528	
12 600	General Mills Inc.	3.150	15-Dec-2021	15 329	17 074	
9 000	Georgia-Pacific LLC	5.400	01-Nov-2020	11 436	12 732	
2 000	Georgia-Pacific LLC	7.750	15-Nov-2029	3 161	3 657	
11 000	Halliburton Co.	3.800	15-Nov-2025	14 341	14 585	
3 500	Halliburton Co.	6.700	15-Sep-2038	5 170	5 634	
7 200	Hanesbrands Inc.	4.875	15-May-2026	9 359	8 908	
4 029	Hasbro Inc.	6.350	15-Mar-2040	5 195	5 735	
11 050	HCA Inc.	5.875	15-Feb-2026	14 956	15 048	
6 200	HCA Inc.	4.500	15-Feb-2027	7 635	8 020	
7 850	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	9 933	10 315	
17 000	Host Hotels & Resorts LP	4.000	15-Jun-2025	21 461	22 578	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
3 750	Indiana Michigan Power Co.	6.050	15-Mar-2037	\$ 6 116	\$ 5 999	
4 000	Indiana Michigan Power Co.	3.750	01-Jul-2047	5 040	5 012	
5 325	Ingles Markets Inc.	5.750	15-Jun-2023	6 547	7 215	
2 600	International Game Technology Plc.	6.250	15-Feb-2022	3 240	3 576	
1 650	International Game Technology Plc.	6.500	15-Feb-2025	2 401	2 230	
5 500	ITC Holdings Corp.	3.250	30-Jun-2026	7 457	7 080	
3 725	John Deere Capital Corp.	2.750	15-Mar-2022	4 187	5 010	
7 400	John Deere Capital Corp.	2.650	10-Jun-2026	9 503	9 559	
10 000	Johnson & Johnson	3.700	01-Mar-2046	12 621	13 019	
10 000	Johnson & Johnson	3.750	03-Mar-2047	12 973	13 016	
2 500	Johnson Controls International Plc.	3.625	02-Jul-2024	3 361	3 367	
3 125	Johnson Controls International Plc.	4.625	02-Jul-2044	3 862	4 055	
12 000	JPMorgan Chase & Co.	2.550	01-Mar-2021	15 956	16 156	
3 000	JPMorgan Chase & Co. EUR	2.625	23-Apr-2021	4 830	4 949	
19 000	JPMorgan Chase & Co.	4.500	24-Jan-2022	25 785	26 737	
19 000	JPMorgan Chase & Co.	3.625	13-May-2024	24 787	25 783	
21 000	JPMorgan Chase & Co.	3.200	15-Jun-2026	27 618	27 040	
11 000	JPMorgan Chase & Co.	6.400	15-May-2038	15 706	18 390	
5 000	JPMorgan Chase Bank NA	2.604	01-Feb-2021	6 364	6 772	
3 000	Kimberly-Clark Corp.	2.750	15-Feb-2026	3 996	3 914	
5 000	Kimberly-Clark Corp.	5.300	01-Mar-2041	8 309	7 872	
10 000	Kinder Morgan Inc.	5.625	15-Nov-2023	13 521	14 461	
5 000	Kinder Morgan Inc.	5.200	01-Mar-2048	6 575	6 557	
8 500	KLA-Tencor Corp.	4.650	01-Nov-2024	10 995	11 906	
6 000	Kraft Heinz Foods Co.	2.800	02-Jul-2020	7 757	8 122	
3 000	Kraft Heinz Foods Co. EUR	2.000	30-Jun-2023	4 443	4 867	
4 500	Kraft Heinz Foods Co.	4.875	15-Feb-2025	6 555	6 174	
6 000	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	7 681	7 905	
4 250	Lear Corp.	5.375	15-Mar-2024	5 073	5 969	
5 750	Lear Corp.	5.250	15-Jan-2025	8 112	8 071	
240	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	111	3	
600	Lehman Brothers Holdings Inc. EUR	4.750	16-Jan-2014	488	19	
2 825	Lennar Corp.	4.750	30-May-2025	3 487	3 630	
12 825	Lennar Corp.	5.250	01-Jun-2026	16 648	16 568	
3 000	Liberty Mutual Group Inc.	5.000	01-Jun-2021	2 917	4 208	
2 000	Liberty Mutual Group Inc.	4.950	01-May-2022	2 107	2 817	
1 000	Liberty Mutual Group Inc.	4.250	15-Jun-2023	1 011	1 378	
3 000	Lincoln National Corp.	6.050	20-Apr-2067	3 361	3 203	
4 000	Lockheed Martin Corp.	3.100	15-Jan-2023	5 189	5 418	
9 000	Lockheed Martin Corp.	3.550	15-Jan-2026	12 451	12 217	
7 000	Lockheed Martin Corp.	3.600	01-Mar-2035	8 879	8 934	
5 665	LyondellBasell Industries N.V.	5.750	15-Apr-2024	7 779	8 285	
7 000	Masco Corp.	4.375	01-Apr-2026	9 463	9 577	
3 000	McDonald's Corp. EUR	0.500	15-Jan-2021	4 265	4 729	
7 000	McDonald's Corp. EUR	4.000	17-Feb-2021	11 757	11 835	
3 000	McDonald's Corp. EUR	1.000	15-Nov-2023	4 506	4 727	
8 000	McDonald's Corp. EUR	0.625	29-Jan-2024	11 984	12 292	
5 100	McDonald's Corp. EUR	2.375	27-Nov-2024	8 000	8 551	
10 000	McDonald's Corp.	3.375	26-May-2025	13 319	13 371	
8 000	McDonald's Corp.	3.500	01-Mar-2027	9 982	10 632	
10 000	McDonald's Corp.	3.800	01-Apr-2028	12 904	13 437	
16 300	McDonald's Corp.	6.300	15-Oct-2037	26 356	26 100	
15 000	McDonald's Corp.	4.450	01-Mar-2047	20 348	19 683	
5 000	Medtronic Inc.	2.500	15-Mar-2020	6 416	6 791	
4 500	Medtronic Inc.	3.500	15-Mar-2025	6 380	6 127	
7 680	Medtronic Inc.	4.375	15-Mar-2035	10 122	10 764	
5 000	Merck & Co. Inc.	2.750	10-Feb-2025	6 640	6 612	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
14 000	Merck & Co. Inc.	3.700	10-Feb-2045	\$ 17 466	\$ 18 429	
8 425	MetLife Inc.	5.700	15-Jun-2035	11 107	12 981	
3 000	Metropolitan Life Global Funding I EUR	0.875	20-Jan-2022	4 565	4 763	
5 000	Metropolitan Life Global Funding I	3.450	18-Dec-2026	6 519	6 695	
2 000	MGM Resorts International	6.000	15-Mar-2023	2 307	2 751	
5 000	Microsoft Corp.	1.550	08-Aug-2021	6 377	6 633	
4 500	Microsoft Corp.	2.400	08-Aug-2026	5 802	5 755	
13 500	Microsoft Corp.	3.450	08-Aug-2036	17 079	17 495	
16 000	Microsoft Corp.	4.450	03-Nov-2045	22 554	23 255	
5 110	MidAmerican Energy Co.	6.750	30-Dec-2031	6 561	9 017	
13 310	MidAmerican Energy Co.	4.800	15-Sep-2043	19 389	19 962	
5 625	Mobile Mini Inc.	5.875	01-Jul-2024	7 373	7 545	
12 000	Mohawk Industries Inc.	3.850	01-Feb-2023	14 870	16 419	
3 000	Morgan Stanley EUR	2.375	31-Mar-2021	4 582	4 905	
20 000	Morgan Stanley	5.500	28-Jul-2021	27 376	28 609	
5 000	Morgan Stanley AUD	5.000	30-Sep-2021	5 302	5 074	
2 000	Morgan Stanley EUR	1.750	11-Mar-2024	3 242	3 202	
19 500	Morgan Stanley	3.875	29-Apr-2024	25 163	26 511	
10 000	Morgan Stanley	4.000	23-Jul-2025	13 356	13 486	
4 825	MPLX LP	4.875	01-Jun-2025	6 455	6 651	
5 250	Murphy Oil Corp.	5.750	15-Aug-2025	6 702	6 716	
9 000	National Grid North America Inc. EUR	0.750	11-Feb-2022	13 067	14 186	
14 000	National Grid North America Inc. EUR	0.750	08-Aug-2023	21 187	21 740	
10 000	National Grid North America Inc. EUR	1.000	12-Jul-2024	14 797	15 545	
2 250	NCR Corp.	5.000	15-Jul-2022	2 523	2 910	
13 000	Nestlé Holdings Inc.	4.000	24-Sep-2048	16 722	17 477	
5 675	New Albertson's Inc.	6.625	15-Jun-2024	7 313	7 225	
15 000	NewMarket Corp.	4.100	15-Dec-2022	19 320	20 988	
4 700	NRG Energy Inc.	6.250	01-May-2024	5 767	6 537	
10 000	NVIDIA Corp.	2.200	16-Sep-2021	12 917	13 352	
1 700	Oracle Corp.	1.900	15-Sep-2021	2 215	2 253	
9 750	Oracle Corp.	2.950	15-May-2025	12 633	12 754	
4 300	Oracle Corp.	2.650	15-Jul-2026	5 296	5 449	
9 500	Oracle Corp.	6.500	15-Apr-2038	14 265	16 193	
1 000	Owens-Brockway Glass Container Inc.	5.875	15-Aug-2023	1 334	1 374	
3 850	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	5 435	5 230	
8 000	Owens Corning	4.200	15-Dec-2022	9 663	10 853	
3 800	Parsley Energy LLC	6.250	01-Jun-2024	5 145	5 045	
700	Parsley Energy LLC	5.375	15-Jan-2025	910	884	
3 300	Parsley Energy LLC	5.625	15-Oct-2027	4 199	4 117	
9 000	PepsiCo Inc.	2.750	01-Mar-2023	10 640	12 112	
15 000	PepsiCo Inc.	4.450	14-Apr-2046	21 135	21 467	
5 000	Pfizer Inc.	2.750	03-Jun-2026	6 276	6 494	
3 500	Pfizer Inc.	3.000	15-Dec-2026	4 357	4 621	
4 000	Pfizer Inc.	4.400	15-May-2044	5 480	5 708	
12 400	Pioneer Natural Resources Co.	3.450	15-Jan-2021	16 737	16 885	
2 000	PNC Bank NA	2.600	21-Jul-2020	2 589	2 707	
8 535	PNC Bank NA	2.950	30-Jan-2023	10 397	11 354	
8 975	Post Holdings Inc.	5.750	01-Mar-2027	11 261	11 548	
4 775	Progress Energy Inc.	3.150	01-Apr-2022	6 124	6 425	
13 670	Progress Energy Inc.	6.000	01-Dec-2039	20 537	22 007	
8 000	Prudential Financial Inc.	3.500	15-May-2024	10 216	10 994	
6 500	PSEG Power LLC	4.150	15-Sep-2021	8 267	8 976	
8 000	PSEG Power LLC	4.300	15-Nov-2023	10 736	11 159	
1 610	PulteGroup Inc.	5.500	01-Mar-2026	2 076	2 124	
5 790	PulteGroup Inc.	5.000	15-Jan-2027	7 117	7 183	
8 000	Quest Diagnostics Inc.	3.450	01-Jun-2026	10 694	10 505	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
4 000	Quest Diagnostics Inc.	4.700	30-Mar-2045	\$ 5 238	\$ 5 243	
2 250	Qwest Corp.	6.750	01-Dec-2021	2 720	3 148	
9 355	Raytheon Co.	2.500	15-Dec-2022	12 029	12 452	
8 000	Raytheon Co.	4.200	15-Dec-2044	10 448	11 134	
10 250	Regency Centers LP	4.800	15-Apr-2021	13 271	14 313	
5 250	Republic Services Inc.	5.250	15-Nov-2021	7 914	7 592	
7 750	Republic Services Inc.	4.750	15-May-2023	10 254	11 084	
5 000	Republic Services Inc.	2.900	01-Jul-2026	6 578	6 453	
7 700	Rite Aid Corp.	6.125	01-Apr-2023	9 634	8 344	
10 000	Salesforce.com Inc.	3.700	11-Apr-2028	12 771	13 748	
5 000	Schlumberger Holdings Corp.	4.000	21-Dec-2025	6 492	6 751	
5 450	SemGroup Corp.	6.375	15-Mar-2025	7 041	6 901	
1 500	SemGroup Corp.	7.250	15-Mar-2026	1 867	1 925	
7 900	Six Flags Entertainment Corp.	5.500	15-Apr-2027	10 364	10 192	
790	SM Energy Co.	5.625	01-Jun-2025	904	944	
6 310	SM Energy Co.	6.750	15-Sep-2026	8 333	7 753	
2 650	Sonic Automotive Inc.	5.000	15-May-2023	2 988	3 301	
3 100	Sonic Automotive Inc.	6.125	15-Mar-2027	4 008	3 724	
20 300	Southern California Edison Co.	3.600	01-Feb-2045	25 244	23 863	
3 000	Spectra Energy Partners LP	4.500	15-Mar-2045	3 851	3 722	
14 425	Sprint Capital Corp.	6.875	15-Nov-2028	17 616	18 659	
2 250	Sprint Corp.	7.875	15-Sep-2023	2 567	3 160	
2 000	Sprint Nextel Corp.	6.000	15-Nov-2022	2 172	2 686	
462	Sprint Spectrum Co. LLC	3.360	20-Sep-2021	622	625	
10 000	Starbucks Corp.	4.500	15-Nov-2048	12 713	12 777	
2 350	T-Mobile USA Inc.	6.000	15-Apr-2024	3 098	3 216	
2 400	T-Mobile USA Inc.	6.500	15-Jan-2026	3 284	3 350	
3 510	T-Mobile USA Inc.	4.750	01-Feb-2028	4 378	4 355	
2 050	Targa Resources Partners LP	5.875	15-Apr-2026	2 675	2 736	
1 925	Targa Resources Partners LP	5.375	01-Feb-2027	2 362	2 477	
5 875	Targa Resources Partners LP	5.000	15-Jan-2028	7 479	7 279	
5 000	Target Corp.	3.500	01-Jul-2024	6 710	6 876	
8 000	TD Ameritrade Holding Corp.	2.950	01-Apr-2022	10 556	10 809	
2 250	Tempur Sealy International Inc.	5.625	15-Oct-2023	2 997	2 972	
6 150	Tempur Sealy International Inc.	5.500	15-Jun-2026	7 916	7 703	
6 250	Tenet Healthcare Corp.	4.625	15-Jul-2024	7 846	7 967	
4 340	The AES Corp.	4.500	15-Mar-2023	5 576	5 799	
1 430	The AES Corp.	4.875	15-May-2023	1 865	1 913	
2 000	The Coca-Cola Co. EUR	1.125	09-Mar-2027	2 727	3 147	
1 425	The EW Scripps Co.	5.125	15-May-2025	1 921	1 790	
6 600	The Goldman Sachs Group Inc. AUD	5.000	21-Aug-2019	6 834	6 437	
400 000	The Goldman Sachs Group Inc. JPY	1.000	24-May-2021	4 892	5 033	
2 300	The Goldman Sachs Group Inc. AUD	4.700	08-Sep-2021	2 449	2 309	
100 000	The Goldman Sachs Group Inc. JPY	2.450	28-Dec-2021	1 244	1 313	
7 000	The Goldman Sachs Group Inc.	5.750	24-Jan-2022	8 947	10 010	
100 000	The Goldman Sachs Group Inc. JPY	2.840	10-Feb-2022	1 348	1 330	
360 000	The Goldman Sachs Group Inc. JPY	1.000	06-Aug-2024	4 309	4 507	
7 000	The Goldman Sachs Group Inc. GBP	7.125	07-Aug-2025	15 938	15 193	
3 200	The Goldman Sachs Group Inc. GBP	3.125	25-Jul-2029	5 466	5 380	
9 140	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	11 665	11 277	
15 000	The Home Depot Inc.	3.000	01-Apr-2026	19 213	19 826	
16 000	The Procter & Gamble Co. EUR	0.625	30-Oct-2024	23 736	25 063	
4 000	The Procter & Gamble Co. EUR	1.200	30-Oct-2028	5 930	6 299	
2 250	The Procter & Gamble Co. EUR	1.875	30-Oct-2038	3 323	3 643	
3 000	The Walt Disney Co.	2.350	01-Dec-2022	4 001	3 980	
3 000	The Walt Disney Co.	3.000	13-Feb-2026	4 160	3 949	
13 000	The Walt Disney Co.	3.700	01-Dec-2042	16 536	16 466	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
4 000	Thermo Fisher Scientific Inc.	3.150	15-Jan-2023	\$ 4 065	\$ 5 356	
1 500	Thermo Fisher Scientific Inc. EUR	1.400	23-Jan-2026	2 184	2 313	
6 665	Thermo Fisher Scientific Inc.	2.950	19-Sep-2026	7 972	8 416	
4 000	Thermo Fisher Scientific Inc.	5.300	01-Feb-2044	6 005	6 048	
7 200	Time Warner Cable Inc.	6.950	15-Jan-2028	9 735	11 433	
3 700	Time Warner Inc.	4.700	15-Jan-2021	5 249	5 182	
4 000	Time Warner Inc.	3.800	15-Feb-2027	5 357	5 135	
1 290	Toll Brothers Finance Corp.	4.875	15-Nov-2025	1 766	1 653	
910	Toll Brothers Finance Corp.	4.875	15-Mar-2027	1 181	1 131	
8 175	Toll Brothers Finance Corp.	4.350	15-Feb-2028	9 651	9 598	
2 000	Toyota Motor Credit Corp. AUD	2.750	26-Jul-2021	1 979	1 930	
9 000	Toyota Motor Credit Corp.	3.400	15-Sep-2021	11 981	12 382	
3 000	Toyota Motor Credit Corp.	2.625	10-Jan-2023	3 765	3 993	
12 500	Trinity Acquisition Plc. EUR	2.125	26-May-2022	18 376	20 151	
7 000	Tyson Foods Inc.	4.500	15-Jun-2022	8 814	9 768	
5 000	Tyson Foods Inc.	3.550	02-Jun-2027	6 408	6 372	
9 000	Tyson Foods Inc.	5.150	15-Aug-2044	12 764	11 811	
13 000	Union Pacific Corp.	4.500	10-Sep-2048	17 472	17 596	
6 750	Unit Corp.	6.625	15-May-2021	7 925	8 432	
5 000	United Parcel Service Inc.	2.450	01-Oct-2022	6 711	6 686	
4 000	United Parcel Service Inc.	2.400	15-Nov-2026	5 153	5 041	
4 000	United Parcel Service Inc.	3.625	01-Oct-2042	4 230	4 902	
1 100	United Rentals North America Inc.	5.500	15-Jul-2025	1 412	1 419	
6 325	United Rentals North America Inc.	5.875	15-Sep-2026	8 365	8 171	
3 000	United Technologies Corp.	1.950	01-Nov-2021	3 967	3 934	
5 125	United Technologies Corp.	3.100	01-Jun-2022	6 967	6 857	
2 450	Universal Health Services Inc.	4.750	01-Aug-2022	3 086	3 336	
6 050	Universal Health Services Inc.	5.000	01-Jun-2026	8 018	8 053	
3 000	Unum Group	5.625	15-Sep-2020	3 836	4 239	
7 000	US Bancorp	2.350	29-Jan-2021	9 263	9 418	
5 000	US Bancorp EUR	0.850	07-Jun-2024	7 585	7 791	
8 000	Valero Energy Partners LP	4.375	15-Dec-2026	10 536	10 763	
2 660	Valvoline Inc.	5.500	15-Jul-2024	3 572	3 559	
3 000	Valvoline Inc.	4.375	15-Aug-2025	3 823	3 773	
7 000	Verizon Communications Inc.	1.750	15-Aug-2021	8 851	9 234	
13 750	Verizon Communications Inc.	5.150	15-Sep-2023	18 707	20 011	
1 500	Verizon Communications Inc. EUR	1.375	27-Oct-2026	2 221	2 335	
5 000	Verizon Communications Inc. AUD	4.500	17-Aug-2027	5 054	4 957	
6 000	Verizon Communications Inc. EUR	1.875	26-Oct-2029	9 057	9 269	
2 500	Verizon Communications Inc. GBP	3.375	27-Oct-2036	4 115	4 272	
500	Verizon Communications Inc. EUR	2.875	15-Jan-2038	739	788	
23 000	Verizon Communications Inc.	4.862	21-Aug-2046	29 722	31 016	
9 000	Visa Inc.	2.750	15-Sep-2027	11 122	11 656	
6 040	Vistra Operations Co. LLC	5.500	01-Sep-2026	7 890	7 968	
13 000	Walgreens Boots Alliance Inc.	3.300	18-Nov-2021	17 214	17 677	
5 000	Walgreens Boots Alliance Inc.	3.800	18-Nov-2024	6 239	6 726	
15 000	Walmart Inc.	4.050	29-Jun-2048	19 809	20 487	
5 000	Waste Management Inc.	3.125	01-Mar-2025	6 808	6 639	
9 000	Waste Management Inc.	3.900	01-Mar-2035	11 412	11 973	
5 000	Waste Management Inc.	4.100	01-Mar-2045	6 586	6 624	
8 620	Wells Fargo & Co. AUD	4.000	08-Aug-2019	8 471	8 358	
17 000	Wells Fargo & Co.	2.500	04-Mar-2021	22 300	22 834	
10 000	Wells Fargo & Co.	4.600	01-Apr-2021	12 740	13 984	
2 000	Wells Fargo & Co. AUD	3.000	27-Jul-2021	2 002	1 931	
15 000	Wells Fargo & Co.	3.069	24-Jan-2023	18 934	19 956	
7 000	Wells Fargo & Co. GBP	2.000	28-Jul-2025	11 565	11 812	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
17 750	Wells Fargo & Co.	3.000	22-Apr-2026	\$ 22 851	\$ 22 614	
12 000	Wells Fargo Bank NA	2.600	15-Jan-2021	15 298	16 183	
10 000	Wells Fargo Bank NA	3.550	14-Aug-2023	13 164	13 610	
10 300	Western Digital Corp.	4.750	15-Feb-2026	12 809	12 251	
6 000	Whirlpool Corp.	5.150	01-Mar-2043	6 790	7 710	
5 000	Williams Partners LP	4.850	01-Mar-2048	6 305	6 238	
2 225	WPX Energy Inc.	6.000	15-Jan-2022	2 951	2 969	
1 350	WPX Energy Inc.	8.250	01-Aug-2023	1 454	1 935	
2 900	WPX Energy Inc.	5.250	15-Sep-2024	3 139	3 603	
5 000	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	6 823	6 015	
10 000	Xcel Energy Inc.	2.600	15-Mar-2022	13 458	13 337	
				3 968 827	4 096 560	38.3
Uruguay						
3 025	Republic of Uruguay USD	4.500	14-Aug-2024	3 936	4 232	
4 360	Republic of Uruguay USD	7.625	21-Mar-2036	7 563	7 790	
2 600	Republic of Uruguay USD	5.100	18-Jun-2050	3 469	3 500	
				14 968	15 522	0.1
Venezuela						
4 200	Petroleos de Venezuela S.A. USD	6.000	15-Nov-2026	1 468	867	
4 560	Republic of Venezuela USD	7.650	21-Apr-2025	2 456	1 447	
11 615	Republic of Venezuela USD	7.000	31-Mar-2038	6 157	3 647	
				10 081	5 961	0.1
Vietnam						
6 945	Republic of Vietnam USD	4.800	19-Nov-2024	9 019	9 590	
				9 019	9 590	0.1
Zambia						
2 425	Zambia Government USD	8.970	30-Jul-2027	2 661	2 493	
				2 661	2 493	—
TOTAL BONDS				8 926 318	9 100 154	85.1
SHORT-TERM INVESTMENTS†				141 964	141 967	1.3
TOTAL INVESTMENTS				10 692 880	10 858 305	101.5
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)				—	1 545	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	24 695	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(330 931)	(3.1)
TOTAL PORTFOLIO				\$10 692 880	10 553 614	98.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					148 294	1.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$10 701 908	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2019

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
115 Euro-BTP Future, March 2019		
Contracts at EUR 122.33 per contract	\$ 21 281	\$ 987
304 United States 2-Year Note Future, March 2019		
Contracts at USD 105.48 per contract	85 158	558
TOTAL FUTURES	\$ 106 439	\$ 1 545

\$5 000 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 182 Sold USD 133 @ 1.3657	03-Jan-2019	\$ —
Bought CAD 151 Sold EUR 97 @ 1.5613	03-Jan-2019	—
Bought USD 908 Sold CAD 1 218 @ 0.7455	04-Jan-2019	22
Bought USD 19 288 Sold CAD 24 671 @ 0.7818	07-Jan-2019	1 658
Bought PHP 231 997 Sold CAD 5 468 @ 42.4250	09-Jan-2019	555
Bought EUR 4 113 Sold CAD 6 198 @ 0.6636	11-Jan-2019	238
Bought EUR 3 000 Sold CAD 4 545 @ 0.6601	11-Jan-2019	150
Bought USD 250 Sold CAD 330 @ 0.7580	11-Jan-2019	11
Bought USD 11 000 Sold CAD 14 991 @ 0.7338	14-Jan-2019	22
Bought USD 24 002 Sold CAD 30 647 @ 0.7832	15-Jan-2019	2 109
Bought USD 342 Sold CAD 437 @ 0.7823	15-Jan-2019	30
Bought BRL 32 404 Sold CAD 10 608 @ 3.0547	16-Jan-2019	792
Bought BRL 27 030 Sold CAD 8 856 @ 3.0520	16-Jan-2019	653
Bought CAD 6 074 Sold BRL 17 256 @ 0.3520	16-Jan-2019	3
Bought EUR 1 823 Sold CAD 2 744 @ 0.6643	16-Jan-2019	110
Bought EUR 6 862 Sold CAD 10 383 @ 0.6609	16-Jan-2019	359
Bought USD 1 130 Sold CAD 1 479 @ 0.7642	16-Jan-2019	63
Bought EUR 3 967 Sold CAD 5 980 @ 0.6634	17-Jan-2019	231
Bought CAD 100 Sold USD 73 @ 1.3633	18-Jan-2019	—
Bought USD 1 277 Sold CAD 1 663 @ 0.7680	18-Jan-2019	80
Bought GBP 1 000 Sold CAD 1 727 @ 0.5792	23-Jan-2019	14
Bought USD 1 600 Sold CAD 2 091 @ 0.7652	23-Jan-2019	92
Bought USD 1 319 Sold CAD 1 729 @ 0.7629	23-Jan-2019	71
Bought USD 2 316 Sold CAD 3 023 @ 0.7661	23-Jan-2019	137
Bought USD 5 608 Sold CAD 7 404 @ 0.7574	23-Jan-2019	247
Bought USD 321 Sold CAD 421 @ 0.7623	23-Jan-2019	17
Bought USD 609 Sold CAD 804 @ 0.7575	23-Jan-2019	27
Bought USD 2 000 Sold CAD 2 616 @ 0.7646	24-Jan-2019	113
Bought USD 15 015 Sold CAD 19 600 @ 0.7661	24-Jan-2019	886
Bought USD 3 000 Sold CAD 3 964 @ 0.7568	24-Jan-2019	129
Bought USD 10 325 Sold CAD 13 703 @ 0.7535	24-Jan-2019	384
Bought USD 435 Sold CAD 576 @ 0.7547	24-Jan-2019	17
Bought USD 276 Sold CAD 374 @ 0.7386	24-Jan-2019	3
Bought EUR 6 000 Sold CAD 9 055 @ 0.6626	25-Jan-2019	343
Bought EUR 3 017 Sold CAD 4 574 @ 0.6596	25-Jan-2019	152
Bought GBP 1 975 Sold CAD 3 329 @ 0.5933	25-Jan-2019	110
Bought CAD 9 417 Sold USD 6 901 @ 1.3646	28-Jan-2019	3
Bought CAD 2 047 Sold GBP 1 172 @ 1.7467	28-Jan-2019	6
Bought EUR 30 055 Sold CAD 45 259 @ 0.6641	28-Jan-2019	1 829
Bought GBP 6 542 Sold CAD 11 098 @ 0.5895	28-Jan-2019	293

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 4 410 758 Sold CAD 51 903 @ 84.9811	28-Jan-2019	\$ 3 114
Bought USD 2 000 Sold CAD 2 622 @ 0.7628	28-Jan-2019	107
Bought USD 40 032 Sold CAD 52 851 @ 0.7575	28-Jan-2019	1 760
Bought USD 3 100 Sold CAD 4 131 @ 0.7504	28-Jan-2019	98
Bought USD 5 090 Sold CAD 6 609 @ 0.7701	29-Jan-2019	334
Bought USD 7 204 Sold CAD 9 354 @ 0.7701	29-Jan-2019	473
Bought USD 84 Sold CAD 111 @ 0.7589	29-Jan-2019	4
Bought CAD 4 301 Sold NZD 4 665 @ 0.9221	30-Jan-2019	28
Bought EUR 1 631 Sold CAD 2 482 @ 0.6571	31-Jan-2019	74
Bought MXN 162 994 Sold CAD 10 661 @ 15.2885	31-Jan-2019	595
Bought USD 450 Sold CAD 588 @ 0.7655	31-Jan-2019	26
Bought EUR 2 998 Sold CAD 4 536 @ 0.6609	05-Feb-2019	163
Bought USD 4 800 Sold CAD 6 423 @ 0.7474	05-Feb-2019	124
Bought EUR 8 280 Sold CAD 12 420 @ 0.6667	06-Feb-2019	560
Bought EUR 6 382 Sold CAD 9 685 @ 0.6590	06-Feb-2019	320
Bought EUR 5 273 Sold CAD 8 127 @ 0.6488	06-Feb-2019	139
Bought USD 8 924 Sold CAD 11 660 @ 0.7654	06-Feb-2019	512
Bought USD 5 870 Sold CAD 7 844 @ 0.7483	06-Feb-2019	162
Bought USD 350 Sold CAD 471 @ 0.7431	06-Feb-2019	6
Bought USD 6 060 Sold CAD 7 943 @ 0.7629	07-Feb-2019	322
Bought USD 90 Sold CAD 121 @ 0.7464	07-Feb-2019	2
Bought USD 17 209 Sold CAD 22 563 @ 0.7627	08-Feb-2019	907
Bought SEK 34 163 Sold CAD 5 009 @ 6.8201	11-Feb-2019	265
Bought USD 1 000 Sold CAD 1 356 @ 0.7376	11-Feb-2019	8
Bought USD 583 Sold CAD 763 @ 0.7640	12-Feb-2019	32
Bought USD 4 724 Sold CAD 6 221 @ 0.7594	12-Feb-2019	221
Bought USD 6 180 Sold CAD 8 260 @ 0.7482	12-Feb-2019	168
Bought USD 7 100 Sold CAD 9 370 @ 0.7578	13-Feb-2019	313
Bought CAD 8 023 Sold AUD 8 327 @ 0.9634	20-Feb-2019	18
Bought EUR 3 023 Sold CAD 4 650 @ 0.6501	20-Feb-2019	93
Bought JPY 885 000 Sold CAD 10 453 @ 84.6651	21-Feb-2019	600
Bought CAD 5 370 Sold RUB 272 221 @ 0.0197	25-Feb-2019	83
Bought NOK 67 597 Sold CAD 10 441 @ 6.4743	27-Feb-2019	243
Bought USD 7 289 Sold CAD 9 929 @ 0.7341	01-Mar-2019	8
Bought EUR 935 Sold CAD 1 430 @ 0.6537	04-Mar-2019	38
Bought EUR 2 000 Sold CAD 3 051 @ 0.6554	05-Mar-2019	89
Bought CAD 13 740 Sold AUD 14 151 @ 0.9709	11-Mar-2019	138
Bought SEK 40 309 Sold CAD 6 041 @ 6.6724	11-Mar-2019	192
Bought CAD 14 407 Sold AUD 14 981 @ 0.9617	14-Mar-2019	8
Bought CAD 16 846 Sold AUD 17 505 @ 0.9623	15-Mar-2019	21
Bought PLN 14 009 Sold CAD 4 964 @ 2.8219	19-Mar-2019	146
Bought USD 18 000 Sold CAD 24 307 @ 0.7405	19-Mar-2019	222
		\$ 24 695

Contracts	Maturity Date	Unrealized Loss
Bought CAD 49 880 Sold USD 38 649 @ 1.2906	04-Jan-2019	\$ (2 882)
Bought CAD 59 806 Sold USD 46 293 @ 1.2919	04-Jan-2019	(3 392)
Bought CAD 26 046 Sold USD 20 000 @ 1.3023	04-Jan-2019	(1 257)
Bought CAD 84 745 Sold USD 65 500 @ 1.2938	07-Jan-2019	(4 665)
Bought CAD 12 550 Sold USD 9 273 @ 1.3534	07-Jan-2019	(108)
Bought CAD 73 567 Sold USD 56 852 @ 1.2940	08-Jan-2019	(4 036)
Bought CAD 57 311 Sold USD 44 000 @ 1.3025	09-Jan-2019	(2 747)
Bought CAD 1 997 Sold NZD 2 331 @ 0.8567	09-Jan-2019	(139)
Bought CAD 2 620 Sold USD 2 000 @ 1.3100	09-Jan-2019	(110)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 5 683 Sold PHP 231 997 @ 0.0245	09-Jan-2019	\$ (340)
Bought CAD 1 183 Sold JPY 101 946 @ 0.0116	10-Jan-2019	(87)
Bought CAD 64 267 Sold USD 49 760 @ 1.2915	10-Jan-2019	(3 651)
Bought CAD 2 841 Sold AUD 3 015 @ 0.9424	10-Jan-2019	(58)
Bought CAD 20 837 Sold EUR 13 583 @ 1.5340	11-Jan-2019	(421)
Bought CAD 65 355 Sold USD 50 655 @ 1.2902	11-Jan-2019	(3 783)
Bought CAD 16 621 Sold USD 13 000 @ 1.2786	11-Jan-2019	(1 122)
Bought CAD 63 752 Sold USD 48 326 @ 1.3192	11-Jan-2019	(2 207)
Bought CAD 112 804 Sold USD 88 325 @ 1.2771	14-Jan-2019	(7 738)
Bought CAD 9 481 Sold USD 7 300 @ 1.2987	14-Jan-2019	(482)
Bought CAD 11 164 Sold USD 8 330 @ 1.3402	14-Jan-2019	(204)
Bought CAD 58 075 Sold USD 45 483 @ 1.2769	15-Jan-2019	(3 996)
Bought CAD 10 234 Sold JPY 895 598 @ 0.0114	15-Jan-2019	(927)
Bought CAD 15 899 Sold AUD 16 865 @ 0.9427	15-Jan-2019	(317)
Bought CAD 14 Sold USD 11 @ 1.3106	15-Jan-2019	(1)
Bought CAD 444 Sold USD 340 @ 1.3055	15-Jan-2019	(20)
Bought CAD 206 Sold USD 155 @ 1.3274	15-Jan-2019	(6)
Bought CAD 99 Sold USD 75 @ 1.3254	15-Jan-2019	(3)
Bought CAD 30 841 Sold USD 23 428 @ 1.3164	15-Jan-2019	(1 132)
Bought CAD 75 704 Sold EUR 50 784 @ 1.4907	16-Jan-2019	(3 799)
Bought CAD 59 408 Sold USD 45 826 @ 1.2964	16-Jan-2019	(3 130)
Bought CAD 59 448 Sold USD 45 800 @ 1.2980	16-Jan-2019	(3 054)
Bought CAD 11 962 Sold JPY 1 021 619 @ 0.0117	16-Jan-2019	(771)
Bought CAD 67 572 Sold USD 52 837 @ 1.2789	17-Jan-2019	(4 531)
Bought CAD 46 461 Sold EUR 30 782 @ 1.5094	17-Jan-2019	(1 731)
Bought CAD 64 711 Sold USD 49 459 @ 1.3084	17-Jan-2019	(2 783)
Bought CAD 53 966 Sold USD 42 135 @ 1.2808	18-Jan-2019	(3 531)
Bought CAD 53 819 Sold USD 41 676 @ 1.2914	18-Jan-2019	(3 052)
Bought CAD 58 812 Sold EUR 39 188 @ 1.5008	18-Jan-2019	(2 545)
Bought CAD 261 Sold USD 200 @ 1.3070	18-Jan-2019	(12)
Bought CAD 60 Sold USD 46 @ 1.3054	18-Jan-2019	(3)
Bought CAD 68 Sold USD 52 @ 1.3079	18-Jan-2019	(3)
Bought CAD 148 Sold USD 112 @ 1.3204	18-Jan-2019	(5)
Bought CAD 10 614 Sold EUR 7 000 @ 1.5163	18-Jan-2019	(346)
Bought CAD 211 Sold USD 160 @ 1.3192	18-Jan-2019	(7)
Bought CAD 20 133 Sold USD 14 883 @ 1.3527	18-Jan-2019	(177)
Bought CAD 7 759 Sold JPY 686 500 @ 0.0113	22-Jan-2019	(801)
Bought CAD 51 276 Sold EUR 34 429 @ 1.4893	22-Jan-2019	(2 644)
Bought CAD 68 480 Sold USD 53 000 @ 1.2921	22-Jan-2019	(3 835)
Bought CAD 42 565 Sold GBP 25 027 @ 1.7008	22-Jan-2019	(1 007)
Bought CAD 63 979 Sold USD 49 155 @ 1.3016	22-Jan-2019	(3 089)
Bought CAD 66 016 Sold USD 51 209 @ 1.2891	23-Jan-2019	(3 853)
Bought CAD 26 466 Sold EUR 17 500 @ 1.5124	23-Jan-2019	(943)
Bought CAD 14 430 Sold GBP 8 574 @ 1.6830	23-Jan-2019	(497)
Bought CAD 5 100 Sold USD 3 900 @ 1.3078	23-Jan-2019	(221)
Bought CAD 8 053 Sold USD 6 000 @ 1.3421	23-Jan-2019	(134)
Bought CAD 49 119 Sold USD 38 102 @ 1.2891	24-Jan-2019	(2 865)
Bought CAD 59 394 Sold USD 45 497 @ 1.3054	24-Jan-2019	(2 680)
Bought CAD 54 408 Sold USD 41 923 @ 1.2978	24-Jan-2019	(2 790)
Bought CAD 1 318 Sold USD 1 000 @ 1.3184	24-Jan-2019	(46)
Bought CAD 5 286 Sold USD 4 000 @ 1.3214	24-Jan-2019	(172)
Bought CAD 59 014 Sold EUR 39 376 @ 1.4987	25-Jan-2019	(2 665)
Bought CAD 49 481 Sold USD 38 268 @ 1.2930	25-Jan-2019	(2 728)
Bought CAD 75 484 Sold USD 58 151 @ 1.2981	25-Jan-2019	(3 852)
Bought CAD 21 760 Sold GBP 12 919 @ 1.6844	25-Jan-2019	(733)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 69 860 Sold EUR 46 813 @ 1.4923	25-Jan-2019	\$ (3 469)
Bought CAD 64 000 Sold EUR 42 786 @ 1.4958	25-Jan-2019	(3 021)
Bought CAD 22 713 Sold EUR 15 200 @ 1.4943	25-Jan-2019	(1 097)
Bought CAD 920 Sold EUR 612 @ 1.5025	25-Jan-2019	(39)
Bought CAD 3 167 Sold EUR 2 100 @ 1.5079	25-Jan-2019	(123)
Bought CAD 47 826 Sold USD 37 088 @ 1.2895	28-Jan-2019	(2 769)
Bought CAD 3 530 Sold GBP 2 059 @ 1.7143	28-Jan-2019	(55)
Bought CAD 58 921 Sold EUR 38 930 @ 1.5135	28-Jan-2019	(2 073)
Bought CAD 75 808 Sold USD 58 011 @ 1.3068	28-Jan-2019	(3 330)
Bought CAD 19 441 Sold USD 14 700 @ 1.3225	28-Jan-2019	(612)
Bought CAD 8 880 Sold USD 6 649 @ 1.3355	28-Jan-2019	(191)
Bought CAD 7 962 Sold EUR 5 237 @ 1.5204	28-Jan-2019	(243)
Bought CAD 9 288 Sold JPY 783 042 @ 0.0119	28-Jan-2019	(479)
Bought CAD 1 689 Sold GBP 991 @ 1.7043	28-Jan-2019	(37)
Bought CAD 4 690 Sold USD 3 500 @ 1.3400	28-Jan-2019	(85)
Bought CAD 9 543 Sold USD 7 069 @ 1.3499	28-Jan-2019	(101)
Bought CAD 8 207 Sold EUR 5 285 @ 1.5528	28-Jan-2019	(74)
Bought CAD 9 376 Sold JPY 769 078 @ 0.0122	28-Jan-2019	(217)
Bought CAD 1 959 Sold GBP 1 142 @ 1.7156	28-Jan-2019	(29)
Bought CAD 8 109 Sold EUR 5 188 @ 1.5630	28-Jan-2019	(20)
Bought CAD 9 839 Sold JPY 791 545 @ 0.0124	28-Jan-2019	(34)
Bought CAD 67 390 Sold EUR 44 500 @ 1.5144	29-Jan-2019	(2 334)
Bought CAD 107 850 Sold USD 83 071 @ 1.2983	29-Jan-2019	(5 470)
Bought CAD 74 304 Sold USD 56 822 @ 1.3077	29-Jan-2019	(3 209)
Bought CAD 261 Sold USD 200 @ 1.3060	29-Jan-2019	(12)
Bought CAD 20 Sold USD 15 @ 1.3203	29-Jan-2019	(1)
Bought CAD 40 269 Sold USD 31 112 @ 1.2943	30-Jan-2019	(2 171)
Bought CAD 3 238 Sold NZD 3 762 @ 0.8607	30-Jan-2019	(209)
Bought CAD 79 622 Sold USD 61 768 @ 1.2891	31-Jan-2019	(4 633)
Bought CAD 27 637 Sold GBP 16 139 @ 1.7124	31-Jan-2019	(467)
Bought CAD 83 302 Sold EUR 54 897 @ 1.5174	31-Jan-2019	(2 724)
Bought CAD 53 722 Sold USD 41 084 @ 1.3076	31-Jan-2019	(2 319)
Bought CAD 10 840 Sold MXN 162 994 @ 0.0665	31-Jan-2019	(417)
Bought CAD 67 979 Sold EUR 44 915 @ 1.5135	01-Feb-2019	(2 409)
Bought CAD 80 884 Sold USD 61 988 @ 1.3048	01-Feb-2019	(3 669)
Bought CAD 63 739 Sold USD 48 842 @ 1.3050	01-Feb-2019	(2 883)
Bought CAD 70 393 Sold USD 53 468 @ 1.3165	01-Feb-2019	(2 539)
Bought CAD 108 480 Sold USD 83 092 @ 1.3055	04-Feb-2019	(4 854)
Bought CAD 4 902 Sold AUD 5 203 @ 0.9421	04-Feb-2019	(100)
Bought CAD 3 197 Sold USD 2 440 @ 1.3103	04-Feb-2019	(131)
Bought CAD 69 417 Sold USD 52 957 @ 1.3108	04-Feb-2019	(2 814)
Bought CAD 9 538 Sold USD 7 000 @ 1.3626	04-Feb-2019	(9)
Bought CAD 72 650 Sold USD 55 467 @ 1.3098	05-Feb-2019	(3 002)
Bought CAD 73 964 Sold EUR 49 141 @ 1.5051	05-Feb-2019	(3 065)
Bought CAD 8 923 Sold EUR 5 936 @ 1.5033	05-Feb-2019	(381)
Bought CAD 24 537 Sold EUR 16 300 @ 1.5054	05-Feb-2019	(1 013)
Bought CAD 9 017 Sold JPY 768 906 @ 0.0117	06-Feb-2019	(579)
Bought CAD 75 632 Sold EUR 50 348 @ 1.5022	06-Feb-2019	(3 293)
Bought CAD 83 808 Sold USD 63 802 @ 1.3136	06-Feb-2019	(3 211)
Bought CAD 21 799 Sold GBP 12 623 @ 1.7269	06-Feb-2019	(185)
Bought CAD 85 147 Sold USD 63 719 @ 1.3363	06-Feb-2019	(1 758)
Bought CAD 96 Sold USD 72 @ 1.3380	06-Feb-2019	(2)
Bought CAD 84 095 Sold USD 64 173 @ 1.3104	07-Feb-2019	(3 429)
Bought CAD 19 511 Sold GBP 11 590 @ 1.6834	07-Feb-2019	(675)
Bought CAD 57 291 Sold USD 43 805 @ 1.3079	07-Feb-2019	(2 453)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 80 181 Sold EUR 53 446 @ 1.5002	08-Feb-2019	\$ (3 610)
Bought CAD 56 991 Sold USD 43 381 @ 1.3137	08-Feb-2019	(2 174)
Bought CAD 59 749 Sold USD 44 800 @ 1.3337	08-Feb-2019	(1 351)
Bought CAD 57 127 Sold USD 43 725 @ 1.3065	11-Feb-2019	(2 503)
Bought CAD 53 335 Sold USD 40 000 @ 1.3334	11-Feb-2019	(1 215)
Bought CAD 5 155 Sold SEK 34 163 @ 0.1509	11-Feb-2019	(120)
Bought CAD 62 239 Sold USD 47 631 @ 1.3067	12-Feb-2019	(2 716)
Bought CAD 65 439 Sold USD 50 000 @ 1.3088	12-Feb-2019	(2 747)
Bought CAD 77 105 Sold USD 58 909 @ 1.3089	12-Feb-2019	(3 231)
Bought CAD 1 610 Sold USD 1 220 @ 1.3201	12-Feb-2019	(53)
Bought CAD 3 055 Sold USD 2 300 @ 1.3281	12-Feb-2019	(82)
Bought CAD 2 634 Sold USD 2 000 @ 1.3168	12-Feb-2019	(94)
Bought CAD 32 Sold USD 24 @ 1.3265	12-Feb-2019	(1)
Bought CAD 64 Sold USD 48 @ 1.3365	12-Feb-2019	(1)
Bought CAD 9 002 Sold EUR 5 933 @ 1.5173	12-Feb-2019	(302)
Bought CAD 79 620 Sold USD 60 890 @ 1.3076	13-Feb-2019	(3 415)
Bought CAD 74 834 Sold USD 57 185 @ 1.3086	14-Feb-2019	(3 147)
Bought CAD 70 859 Sold EUR 47 184 @ 1.5018	14-Feb-2019	(3 140)
Bought CAD 53 351 Sold USD 40 051 @ 1.3321	14-Feb-2019	(1 265)
Bought CAD 40 087 Sold USD 30 000 @ 1.3362	14-Feb-2019	(823)
Bought CAD 10 017 Sold NZD 11 149 @ 0.8984	15-Feb-2019	(196)
Bought CAD 50 242 Sold USD 38 000 @ 1.3222	19-Feb-2019	(1 572)
Bought CAD 73 569 Sold USD 55 891 @ 1.3163	19-Feb-2019	(2 640)
Bought CAD 43 549 Sold USD 32 600 @ 1.3358	19-Feb-2019	(902)
Bought CAD 47 458 Sold USD 35 520 @ 1.3361	19-Feb-2019	(975)
Bought CAD 73 945 Sold USD 55 936 @ 1.3220	20-Feb-2019	(2 323)
Bought CAD 83 460 Sold USD 62 975 @ 1.3253	20-Feb-2019	(2 406)
Bought CAD 63 492 Sold EUR 41 930 @ 1.5142	20-Feb-2019	(2 290)
Bought CAD 12 772 Sold EUR 8 461 @ 1.5095	21-Feb-2019	(503)
Bought CAD 2 204 Sold GBP 1 277 @ 1.7263	21-Feb-2019	(20)
Bought CAD 61 515 Sold USD 46 860 @ 1.3127	21-Feb-2019	(2 377)
Bought CAD 32 292 Sold EUR 21 294 @ 1.5165	21-Feb-2019	(1 116)
Bought CAD 115 199 Sold USD 87 571 @ 1.3155	22-Feb-2019	(4 198)
Bought CAD 26 700 Sold GBP 15 670 @ 1.7039	22-Feb-2019	(602)
Bought CAD 42 399 Sold EUR 28 088 @ 1.5095	22-Feb-2019	(1 672)
Bought CAD 52 310 Sold USD 39 792 @ 1.3146	25-Feb-2019	(1 941)
Bought CAD 23 968 Sold EUR 15 855 @ 1.5117	25-Feb-2019	(913)
Bought CAD 72 124 Sold USD 54 794 @ 1.3163	25-Feb-2019	(2 580)
Bought CAD 7 355 Sold USD 5 500 @ 1.3373	25-Feb-2019	(143)
Bought RUB 272 221 Sold CAD 5 391 @ 50.5000	25-Feb-2019	(104)
Bought CAD 81 865 Sold USD 61 772 @ 1.3253	26-Feb-2019	(2 351)
Bought CAD 38 076 Sold GBP 22 368 @ 1.7022	26-Feb-2019	(900)
Bought CAD 88 895 Sold USD 67 356 @ 1.3198	27-Feb-2019	(2 931)
Bought CAD 83 384 Sold USD 62 727 @ 1.3293	28-Feb-2019	(2 129)
Bought CAD 80 563 Sold USD 60 733 @ 1.3265	28-Feb-2019	(2 232)
Bought CAD 10 653 Sold GBP 6 270 @ 1.6991	28-Feb-2019	(273)
Bought CAD 77 225 Sold USD 58 411 @ 1.3221	01-Mar-2019	(2 404)
Bought CAD 34 081 Sold GBP 20 109 @ 1.6948	01-Mar-2019	(961)
Bought CAD 21 024 Sold EUR 13 900 @ 1.5125	01-Mar-2019	(794)
Bought CAD 21 749 Sold USD 16 500 @ 1.3181	01-Mar-2019	(744)
Bought CAD 14 823 Sold USD 11 166 @ 1.3275	04-Mar-2019	(398)
Bought CAD 13 764 Sold USD 10 380 @ 1.3260	04-Mar-2019	(386)
Bought CAD 40 047 Sold USD 30 000 @ 1.3349	04-Mar-2019	(848)
Bought CAD 53 175 Sold EUR 34 847 @ 1.5259	04-Mar-2019	(1 533)
Bought CAD 5 338 Sold USD 4 000 @ 1.3345	04-Mar-2019	(115)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 70 114 Sold EUR 46 162 @ 1.5189	05-Mar-2019	\$ (2 363)
Bought CAD 52 427 Sold USD 39 275 @ 1.3349	05-Mar-2019	(1 110)
Bought CAD 68 897 Sold USD 52 000 @ 1.3250	06-Mar-2019	(1 984)
Bought CAD 95 689 Sold GBP 55 667 @ 1.7190	06-Mar-2019	(1 330)
Bought CAD 10 252 Sold AUD 10 685 @ 0.9595	06-Mar-2019	(19)
Bought CAD 76 141 Sold USD 57 376 @ 1.3271	07-Mar-2019	(2 066)
Bought CAD 87 218 Sold EUR 57 859 @ 1.5074	07-Mar-2019	(3 636)
Bought CAD 77 620 Sold USD 58 907 @ 1.3177	08-Mar-2019	(2 673)
Bought CAD 27 841 Sold EUR 18 230 @ 1.5272	08-Mar-2019	(787)
Bought CAD 39 613 Sold USD 30 000 @ 1.3204	11-Mar-2019	(1 276)
Bought CAD 11 683 Sold USD 8 800 @ 1.3276	11-Mar-2019	(312)
Bought CAD 6 043 Sold SEK 40 309 @ 0.1499	11-Mar-2019	(190)
Bought CAD 71 136 Sold USD 53 874 @ 1.3204	12-Mar-2019	(2 291)
Bought CAD 89 123 Sold USD 67 156 @ 1.3271	12-Mar-2019	(2 406)
Bought CAD 2 663 Sold USD 2 000 @ 1.3313	12-Mar-2019	(63)
Bought CAD 30 781 Sold GBP 18 205 @ 1.6908	12-Mar-2019	(952)
Bought CAD 64 671 Sold USD 48 861 @ 1.3236	13-Mar-2019	(1 922)
Bought CAD 61 370 Sold EUR 40 259 @ 1.5244	13-Mar-2019	(1 873)
Bought CAD 78 925 Sold USD 59 255 @ 1.3320	13-Mar-2019	(1 834)
Bought CAD 4 124 Sold NZD 4 534 @ 0.9095	13-Mar-2019	(29)
Bought CAD 47 991 Sold EUR 31 364 @ 1.5301	14-Mar-2019	(1 282)
Bought CAD 69 326 Sold USD 51 789 @ 1.3386	14-Mar-2019	(1 257)
Bought CAD 47 113 Sold USD 35 295 @ 1.3348	14-Mar-2019	(990)
Bought CAD 79 055 Sold USD 59 106 @ 1.3375	15-Mar-2019	(1 498)
Bought CAD 78 559 Sold EUR 51 511 @ 1.5251	15-Mar-2019	(2 370)
Bought CAD 70 780 Sold USD 52 629 @ 1.3449	15-Mar-2019	(946)
Bought CAD 87 591 Sold USD 65 500 @ 1.3373	18-Mar-2019	(1 672)
Bought CAD 8 372 Sold GBP 4 942 @ 1.6941	18-Mar-2019	(244)
Bought CAD 43 719 Sold USD 32 681 @ 1.3378	19-Mar-2019	(817)
Bought CAD 10 365 Sold USD 7 760 @ 1.3357	19-Mar-2019	(210)
Bought CAD 53 416 Sold USD 40 000 @ 1.3354	19-Mar-2019	(1 095)
Bought CAD 3 022 Sold USD 2 260 @ 1.3372	19-Mar-2019	(58)
Bought CAD 4 999 Sold PLN 14 009 @ 0.3569	19-Mar-2019	(111)
Bought CAD 23 084 Sold USD 17 170 @ 1.3444	19-Mar-2019	(314)
Bought CAD 35 523 Sold USD 26 673 @ 1.3318	20-Mar-2019	(825)
Bought CAD 66 839 Sold EUR 43 770 @ 1.5270	20-Mar-2019	(1 952)
Bought CAD 66 550 Sold USD 50 000 @ 1.3310	20-Mar-2019	(1 586)
Bought CAD 74 552 Sold USD 56 000 @ 1.3313	21-Mar-2019	(1 759)
Bought CAD 12 012 Sold AUD 12 535 @ 0.9583	21-Mar-2019	(35)
Bought CAD 90 222 Sold USD 67 300 @ 1.3406	21-Mar-2019	(1 485)
Bought CAD 41 191 Sold EUR 26 994 @ 1.5259	22-Mar-2019	(1 237)
Bought CAD 78 165 Sold USD 58 500 @ 1.3362	22-Mar-2019	(1 551)
Bought CAD 67 028 Sold USD 50 000 @ 1.3406	22-Mar-2019	(1 106)
Bought CAD 72 983 Sold USD 54 300 @ 1.3441	25-Mar-2019	(1 006)
Bought CAD 54 404 Sold USD 40 340 @ 1.3486	25-Mar-2019	(563)
		\$ (330 931)
		<u>\$ (306 236)</u>

TOTAL FOREIGN EXCHANGE

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.53% to 2.38% and mature between January 2, 2019 and April 25, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 10 858 305	\$ 9 755 516
Cash	56 412	17 478
Due from investment dealers	93	—
Subscriptions receivable	5 789	6 420
Unrealized gain on futures contracts	1 545	—
Futures contracts margin receivable	—	972
Unrealized gain on foreign exchange contracts	24 695	81 011
Dividends receivable, interest accrued and other assets	99 416	88 782
TOTAL ASSETS	11 046 255	9 950 179
LIABILITIES		
Due to investment dealers	83	170
Redemptions payable	11 210	841
Payable on open swap contracts	—	283
Unrealized loss on futures contracts	—	166
Futures contracts margin payable	1 487	—
Unrealized loss on foreign exchange contracts	330 931	36 003
Distributions payable	7	—
Accounts payable and accrued expenses	629	725
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	344 347	38 188
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 10 701 908	\$ 9 911 991
Investments at cost	\$ 10 692 880	\$ 9 607 811
NAV		
SERIES A	\$ 107 335	\$ 146 899
ADVISOR SERIES	\$ 64 226	\$ 87 785
SERIES D	\$ 84 150	\$ 90 389
SERIES F	\$ 139 281	\$ 167 705
SERIES O	\$ 10 306 916	\$ 9 419 213
NAV PER UNIT		
SERIES A	\$ 9.40	\$ 9.83
ADVISOR SERIES	\$ 9.53	\$ 9.97
SERIES D	\$ 10.10	\$ 10.56
SERIES F	\$ 9.57	\$ 10.01
SERIES O	\$ 9.52	\$ 9.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 2 188	\$ 1 381
Interest for distribution purposes	338 161	263 911
Interest expense	(372)	—
Income from investment trusts	51 749	48 029
Derivative income	(190 124)	141 915
Net realized gain (loss) on investments	38 667	55 588
Change in unrealized gain (loss) on investments	(333 241)	(72 614)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(92 972)	438 210
Other income (loss)	60	—
Securities lending revenue (see note 7 in the generic notes)	1 539	1 212
Net gain (loss) on foreign cash balances	478	398
TOTAL OTHER INCOME (LOSS)	2 077	1 610
TOTAL INCOME (LOSS)	(90 895)	439 820
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 132	5 421
Administration fees	2 299	1 855
Independent Review Committee costs	2	3
GST/HST	759	745
Transaction costs	250	71
Withholding tax	2 033	2 419
TOTAL EXPENSES	10 475	10 514
INCREASE (DECREASE) IN NAV	\$ (101 370)	\$ 429 306
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 695)	\$ 5 481
ADVISOR SERIES	\$ (2 217)	\$ 3 190
SERIES D	\$ (1 883)	\$ 3 406
SERIES F	\$ (3 208)	\$ 5 958
SERIES O	\$ (90 367)	\$ 411 271
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.28)	\$ 0.35
ADVISOR SERIES	\$ (0.28)	\$ 0.35
SERIES D	\$ (0.21)	\$ 0.44
SERIES F	\$ (0.19)	\$ 0.43
SERIES O	\$ (0.09)	\$ 0.52



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (101 370)	\$ 429 306
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	2	(6)
Non-cash distributions from underlying funds	(25 093)	(30 726)
Net realized loss (gain) on investments	(37 983)	(55 529)
Change in unrealized loss (gain) on investments	333 241	72 614
(Increase) decrease in accrued receivables	(12 179)	(16 403)
Increase (decrease) in accrued payables	(262)	(22)
(Increase) decrease in margin accounts	2 459	(387)
Cost of investments purchased	(12 545 522)	(10 357 178)
Proceeds from sale and maturity of investments	11 523 347	7 480 517
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(863 360)	(2 477 814)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 957 814	2 775 374
Cash paid on redemption of redeemable units	(1 015 540)	(272 082)
Distributions paid to holders of redeemable units	(39 980)	(13 806)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 902 294	\$ 2 489 486
Net increase (decrease) in cash for the period	38 934	11 672
Cash (bank overdraft), beginning of period	17 478	5 806
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 56 412	\$ 17 478
Interest received (paid)	\$ 326 913	\$ 247 211
Dividends received, net of withholding taxes	\$ 2 119	\$ 16 555

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 146 899	\$ 156 474	\$ 87 785	\$ 93 925	\$ 90 389	\$ 74 121	\$ 167 705	\$ 114 699
INCREASE (DECREASE) IN NAV	(3 695)	5 481	(2 217)	3 190	(1 883)	3 406	(3 208)	5 958
Early redemption fees	—	—	—	—	—	—	—	1
Proceeds from redeemable units issued	13 024	24 627	8 371	17 399	17 378	21 681	76 052	84 334
Reinvestments of distributions to holders of redeemable units	2 077	2 489	1 172	1 384	2 035	1 819	2 377	2 092
Redemption of redeemable units	(48 749)	(39 497)	(29 536)	(26 546)	(21 462)	(8 591)	(99 223)	(35 626)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(33 648)	(12 381)	(19 993)	(7 763)	(2 049)	14 909	(20 794)	50 801
Distributions from net income	(2 221)	(2 675)	(1 349)	(1 567)	(2 307)	(2 047)	(4 422)	(3 753)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 221)	(2 675)	(1 349)	(1 567)	(2 307)	(2 047)	(4 422)	(3 753)
NET INCREASE (DECREASE) IN NAV	(39 564)	(9 575)	(23 559)	(6 140)	(6 239)	16 268	(28 424)	53 006
NAV AT END OF PERIOD	\$ 107 335	\$ 146 899	\$ 64 226	\$ 87 785	\$ 84 150	\$ 90 389	\$ 139 281	\$ 167 705

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 9 419 213	\$ 6 562 512	\$ 9 911 991	\$ 7 001 731
INCREASE (DECREASE) IN NAV	(90 367)	411 271	(101 370)	429 306
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	1 872 642	2 635 178	1 987 467	2 783 219
Reinvestments of distributions to holders of redeemable units	327 414	274 137	335 075	281 921
Redemption of redeemable units	(857 223)	(178 200)	(1 056 193)	(288 460)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 342 833	2 731 115	1 266 349	2 776 681
Distributions from net income	(364 763)	(285 685)	(375 062)	(295 727)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(364 763)	(285 685)	(375 062)	(295 727)
NET INCREASE (DECREASE) IN NAV	887 703	2 856 701	789 917	2 910 260
NAV AT END OF PERIOD	\$ 10 306 916	\$ 9 419 213	\$ 10 701 908	\$ 9 911 991

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide a high level of interest income with the potential for modest capital growth by investing primarily in global corporate bonds.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	1.3	1.5
AA	14.3	13.6
A	30.3	30.1
BBB	39.7	41.4
BB	6.7	6.7
B	6.5	5.7
CCC	0.5	0.5
D	0.1	0.1
Unrated	0.6	0.4
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	38.3	38.9
Canada	20.7	20.9
Income Funds	14.7	10.1
United Kingdom	7.4	7.5
Germany	3.4	2.6
France	2.3	2.4
Netherlands	2.3	1.8
Spain	1.0	1.2
Other Countries	10.1	8.9
Cash/Other	(0.2)	5.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.5	1.2
1 – 5 years	39.9	37.1
5 – 10 years	35.1	35.5
> 10 years	24.5	26.2
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 6.4% (December 31, 2017 – 6.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	0.4	2.8
Japanese yen	–	2.9
Euro	–	0.6
Other currencies	0.4	0.7
Total	0.8	7.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.0% (December 31, 2017 – 0.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	39 912	–	–	39 912
Underlying funds	1 576 272	–	–	1 576 272
Fixed-income				
and debt securities	–	9 100 154	–	9 100 154
Short-term investments	–	141 967	–	141 967
Derivatives – assets	1 545	24 695	–	26 240
Derivatives – liabilities	–	(330 931)	–	(330 931)
Total financial instruments	1 617 729	8 935 885	–	10 553 614
% of total portfolio	15.3	84.7	–	100.0

Please see the generic notes at the back of the financial statements.



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	30 502	—	—	30 502
Underlying funds	998 459	—	—	998 459
Fixed-income				
and debt securities	—	8 315 488	—	8 315 488
Short-term investments	—	411 067	—	411 067
Derivatives – assets	—	81 011	—	81 011
Derivatives – liabilities	(166)	(36 286)	—	(36 452)
Total financial instruments	1 028 795	8 771 280	—	9 800 075
% of total portfolio	10.5	89.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.07%
Advisor Series	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets Corporate Bond Fund	2.1	32.5	1.9	21.4
RBC Emerging Markets Bond Fund	2.2	28.1	2.1	25.1
RBC Emerging Markets Foreign Exchange Fund	1.0	10.6	1.0	12.3
RBC Target 2020 Corporate Bond Index ETF	0.6	39.5	—	—

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital High Yield Bond SPDR Fund	0.1	0.1	0.9	0.5
BMO Short Corporate Bond Index ETF	0.3	2.3	—	—
iShares Canadian Corporate Bond Index Fund	0.5	3.3	—	—
iShares iBoxx \$ High Yield Corporate Bond Fund	0.1	0.1	0.9	0.4
iShares iBoxx \$ Investment Grade Corporate Bond Fund	3.2	0.9	3.2	0.6
iShares J.P. Morgan USD Emerging Markets Bond Fund	0.5	0.3	0.1	0.1
VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	0.1	0.2	0.1	0.1
Vanguard Canadian Short-Term Corporate Bond Index Fund	0.1	1.4	—	—
Vanguard Intermediate-Term Corporate Bond Fund	1.0	0.4	—	—
Vanguard Long-Term Corporate Bond Fund	1.1	3.6	—	—
Vanguard Short-Term Corporate Bond Fund	1.6	0.6	—	—

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	231 957
Non-capital losses	—



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

2018 2017

Series A

Opening units	14 940	16 204
Issued number of units	1 353	2 514
Reinvested number of units	218	255
Redeemed number of units	(5 092)	(4 033)
Ending number of units	11 419	14 940

Advisor Series

Opening units	8 808	9 596
Issued number of units	857	1 747
Reinvested number of units	121	140
Redeemed number of units	(3 046)	(2 675)
Ending number of units	6 740	8 808

Series D

Opening units	8 557	7 143
Issued number of units	1 677	2 057
Reinvested number of units	199	173
Redeemed number of units	(2 100)	(816)
Ending number of units	8 333	8 557

Series F

Opening units	16 746	11 660
Issued number of units	7 787	8 442
Reinvested number of units	245	210
Redeemed number of units	(10 228)	(3 566)
Ending number of units	14 550	16 746

Series O

Opening units	945 600	670 520
Issued number of units	191 742	265 321
Reinvested number of units	33 976	27 675
Redeemed number of units	(89 131)	(17 916)
Ending number of units	1 082 187	945 600

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	250	100	71	100
Related-party brokerage commissions*	86	34	5	7
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	843 010	584 382
Fair value of collateral received	859 871	596 069

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2 204	100	1 794	100
RBC IS (paid)	(547)	(25)	(491)	(27)
Tax withheld	(118)	(5)	(91)	(5)
Fund revenue	1 539	70	1 212	68

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	0.1	0.2
RBC Balanced Growth & Income Fund	1.2	1.4
RBC Conservative Bond Pool	0.1	—
RBC Conservative Growth & Income Fund	0.1	0.1
RBC Core Bond Pool	0.3	—
RBC Core Plus Bond Pool	0.6	—
RBC Global Growth & Income Fund	0.3	0.1
RBC Managed Payout Solution	6.1	7.3
RBC Managed Payout Solution – Enhanced	2.2	2.5
RBC Monthly Income Bond Fund	0.8	1.2
RBC Retirement 2020 Portfolio	—	—
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Retirement Income Solution	—	—
RBC Select Balanced Portfolio	28.1	25.9
RBC Select Choices Balanced Portfolio	0.3	—
RBC Select Choices Conservative Portfolio	0.1	—
RBC Select Choices Growth Portfolio	0.1	—
RBC Select Conservative Portfolio	20.8	20.0
RBC Select Growth Portfolio	6.4	5.9
RBC Select Very Conservative Portfolio	15.1	16.5
RBC Strategic Income Bond Fund	2.1	1.8
Total	84.8	82.9

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	26 240	(330 931)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	26 240	(330 931)
Related amounts not set-off	(24 695)	24 695
Collateral (received) pledged	(1 487)	75 945
Net amount	58	(230 291)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	81 011	(36 168)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	81 011	(36 168)
Related amounts not set-off	(31 588)	31 588
Collateral (received) pledged	(8 313)	4 580
Net amount	41 110	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC HIGH YIELD BOND FUND

December 31, 2018

Holdings	Security		Cost	Fair Value	% of Net Assets	
EQUITIES						
Canada						
193 890	Enbridge Inc., Preferred Series 17, 5.150%		\$ 4 847	\$ 4 795		
47 250	National Bank of Canada, Preferred Series 36, 5.400%		1 181	1 205		
123 900	Pembina Pipeline Corp., Preferred Series 1, 4.250%		2 307	2 243		
50 000	Pembina Pipeline Corp., Preferred Series 5, 5.000%		1 012	1 052		
94 400	TransCanada Corp., Preferred Series 13, 5.500%		2 360	2 399		
TOTAL EQUITIES			11 707	11 694	0.7	
UNDERLYING FUNDS						
2 293 026	RBC Emerging Markets Foreign Exchange Fund*		23 265	24 301		
TOTAL UNDERLYING FUNDS			23 265	24 301	1.4	
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
13 185	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	\$ 18 143	\$ 16 628	
				18 143	16 628	1.0
Canada						
8 000	AltaGas Ltd.	3.980	04-Oct-2027	8 000	7 711	
15 665	Baytex Energy Corp. USD	5.125	01-Jun-2021	16 506	20 584	
7 970	Baytex Energy Corp. USD	5.625	01-Jun-2024	7 063	9 466	
11 725	Cenovus Energy Inc. USD	6.750	15-Nov-2039	14 226	15 680	
5 000	Choice Properties LP	3.600	20-Sep-2022	5 205	5 029	
11 225	Enbridge Inc. USD	5.500	15-Jul-2077	12 936	13 029	
15 000	Fairfax Financial Holdings Ltd.	4.500	22-Mar-2023	14 915	15 521	
8 790	Gibson Energy Inc.	5.375	15-Jul-2022	7 893	8 797	
15 950	Gibson Energy Inc.	5.250	15-Jul-2024	15 964	15 521	
5 000	H&R Real Estate Investment Trust	4.450	02-Mar-2020	5 369	5 084	
5 000	Inter Pipeline Ltd.	3.776	30-May-2022	5 245	5 063	
7 000	Loblaw Companies Ltd.	5.900	18-Jan-2036	8 225	7 979	
4 975	Mattamy Group Corp. USD	6.875	15-Dec-2023	6 376	6 376	
5 000	Mattamy Group Corp.	6.500	01-Oct-2025	5 079	4 727	
11 205	Mattamy Group Corp. USD	6.500	01-Oct-2025	13 996	13 767	
5 875	New Gold Inc. USD	6.250	15-Nov-2022	7 382	6 777	
10 440	New Gold Inc. USD	6.375	15-May-2025	14 411	10 903	
10 000	North West Redwater Partnership	2.800	01-Jun-2027	9 653	9 478	
9 275	Parkland Fuel Corp.	5.750	16-Sep-2024	9 446	9 097	
17 500	Parkland Fuel Corp.	5.625	09-May-2025	17 467	16 683	
5 000	Pembina Pipeline Corp.	4.240	15-Jun-2027	5 183	5 087	
8 650	Precision Drilling Corp. USD	7.750	15-Dec-2023	11 747	10 938	
5 575	Precision Drilling Corp. USD	7.125	15-Jan-2026	7 194	6 584	
5 100	Superior Plus LP	5.125	27-Aug-2025	5 126	4 671	
7 000	Quebecor Media Inc.	6.625	15-Jan-2023	7 420	7 298	
2 500	Rogers Communications Inc.	4.000	13-Mar-2024	2 630	2 565	
18 000	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	22 486	22 086	
5 000	Shaw Communications Inc.	4.350	31-Jan-2024	5 299	5 148	
5 000	Superior Plus Corp. USD	7.000	15-Jul-2026	6 643	6 621	
18 650	Superior Plus LP	5.250	27-Feb-2024	18 926	17 576	
19 000	Vermilion Energy Inc. USD	5.625	15-Mar-2025	25 340	24 447	
13 250	Videotron Ltd.	5.625	15-Jun-2025	13 476	13 465	
36 540	Videotron Ltd.	5.750	15-Jan-2026	36 673	37 115	
				373 500	370 873	22.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ireland						
11 900	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	\$ 15 454	\$ 15 430	
				15 454	15 430	0.9
Luxembourg						
24 000	ArcelorMittal USD	8.000	15-Oct-2039	35 977	34 621	
13 000	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	17 230	16 638	
				53 207	51 259	3.0
New Zealand						
14 550	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	18 822	18 945	
				18 822	18 945	1.1
United Kingdom						
7 550	Ashtead Capital Inc. USD	5.625	01-Oct-2024	10 149	10 449	
2 675	Ashtead Capital Inc. USD	5.250	01-Aug-2026	3 515	3 542	
14 775	Ashtead Capital Inc. USD	4.375	15-Aug-2027	18 507	18 255	
2 300	Aviva Plc. CAD	4.500	10-May-2021	2 291	2 356	
				34 462	34 602	2.1
United States						
23 000	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	29 602	24 178	
13 290	Alcoa Nederland Holding BV	6.750	30-Sep-2024	17 974	18 506	
1 335	Alcoa Nederland Holding BV	7.000	30-Sep-2026	1 845	1 868	
3 500	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	6 232	5 696	
10 500	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	12 624	12 328	
4 500	AMC Entertainment Holdings Inc.	6.125	15-May-2027	5 478	5 283	
6 995	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	8 688	8 726	
15 005	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	19 021	18 411	
16 000	Avis Budget Car Rental LLC	5.250	15-Mar-2025	20 082	18 976	
10 000	Ball Corp.	4.875	15-Mar-2026	12 908	13 345	
14 200	Blue Racer Midstream LLC	6.625	15-Jul-2026	18 722	18 126	
15 000	Boyd Gaming Corp.	6.375	01-Apr-2026	20 235	19 889	
1 000	Boyd Gaming Corp.	6.000	15-Aug-2026	1 304	1 282	
23 000	CCO Holdings LLC	5.750	15-Feb-2026	30 508	30 850	
10 400	Cedar Fair LP	5.375	15-Apr-2027	14 251	13 470	
10 000	Charter Communications Operating LLC	4.908	23-Jul-2025	12 654	13 588	
17 000	CSC Holdings LLC	5.500	15-Apr-2027	22 894	21 642	
3 500	Dana Inc.	5.500	15-Dec-2024	4 598	4 468	
12 500	D.R. Horton Inc.	5.750	15-Aug-2023	18 065	17 958	
18 500	Diamond 1 Finance Corp.	6.020	15-Jun-2026	24 765	25 407	
10 710	Diamond 1 Finance Corp.	8.100	15-Jul-2036	15 482	15 929	
18 000	Equinix Inc.	5.875	15-Jan-2026	24 387	24 819	
23 000	Hanesbrands Inc.	4.875	15-May-2026	30 047	28 456	
15 875	HCA Inc.	5.875	15-Feb-2026	21 509	21 618	
19 125	HCA Inc.	4.500	15-Feb-2027	23 649	24 739	
15 500	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	19 532	20 367	
8 450	Host Hotels & Resorts LP	4.750	01-Mar-2023	11 461	11 796	
10 000	Ingles Markets Inc.	5.750	15-Jun-2023	10 936	13 550	
2 000	Lennar Corp.	6.250	15-Dec-2021	2 782	2 788	
3 400	Lennar Corp.	4.750	30-May-2025	4 119	4 369	
22 425	Lennar Corp.	5.250	01-Jun-2026	29 349	28 969	
3 000	Level 3 Financing Inc.	5.375	01-May-2025	3 753	3 850	
6 325	Mobile Mini Inc.	5.875	01-Jul-2024	8 319	8 484	
7 500	Murphy Oil Corp.	5.750	15-Aug-2025	9 525	9 594	
10 000	NCR Corp.	5.000	15-Jul-2022	10 783	12 935	
13 000	New Albertson's Inc.	6.625	15-Jun-2024	16 854	16 550	
5 690	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	7 805	7 729	
10 315	Parsley Energy LLC	6.250	01-Jun-2024	14 058	13 695	
2 900	Parsley Energy LLC	5.375	15-Jan-2025	3 820	3 662	
8 000	Parsley Energy LLC	5.625	15-Oct-2027	10 104	9 980	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
18 000	Post Holdings Inc.	5.750	01-Mar-2027	\$ 22 534	\$ 23 161	
3 270	PulteGroup Inc.	5.500	01-Mar-2026	4 216	4 314	
11 730	PulteGroup Inc.	5.000	15-Jan-2027	14 419	14 553	
6 000	Qwest Corp.	6.750	01-Dec-2021	6 840	8 395	
11 225	Rite Aid Corp.	6.125	01-Apr-2023	13 916	12 164	
10 000	SemGroup Corp.	6.375	15-Mar-2025	13 273	12 662	
5 200	SemGroup Corp.	7.250	15-Mar-2026	6 314	6 673	
15 000	Six Flags Entertainment Corp.	5.500	15-Apr-2027	19 906	19 352	
13 625	SM Energy Co.	6.750	15-Sep-2026	18 012	16 741	
2 000	Sonic Automotive Inc.	5.000	15-May-2023	2 656	2 491	
5 000	Sonic Automotive Inc.	6.125	15-Mar-2027	6 464	6 007	
7 000	Sprint Capital Corp.	6.875	15-Nov-2028	8 042	9 055	
12 450	Sprint Corp.	7.875	15-Sep-2023	14 021	17 485	
18 530	T-Mobile USA Inc.	4.750	01-Feb-2028	23 090	22 989	
2 000	Targa Resources Partners LP	5.875	15-Apr-2026	2 563	2 669	
4 425	Targa Resources Partners LP	5.375	01-Feb-2027	5 429	5 694	
13 575	Targa Resources Partners LP	5.000	15-Jan-2028	17 206	16 818	
5 000	Tempur Sealy International Inc.	5.625	15-Oct-2023	6 693	6 604	
10 425	Tempur Sealy International Inc.	5.500	15-Jun-2026	13 414	13 058	
5 000	Tenet Healthcare Corp.	4.625	15-Jul-2024	6 209	6 374	
10 000	The AES Corp.	4.500	15-Mar-2023	12 848	13 362	
3 100	The AES Corp.	4.875	15-May-2023	4 042	4 147	
2 135	The EW Scripps Co.	5.125	15-May-2025	2 955	2 682	
17 000	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	21 917	20 975	
5 425	Toll Brothers Finance Corp.	4.875	15-Nov-2025	7 414	6 953	
14 575	Toll Brothers Finance Corp.	4.350	15-Feb-2028	17 172	17 112	
8 000	Unit Corp.	6.625	15-May-2021	8 709	9 993	
3 100	United Rentals North America Inc.	5.500	15-Jul-2025	3 986	3 999	
17 000	United Rentals North America Inc.	5.875	15-Sep-2026	22 340	21 961	
12 300	Universal Health Services Inc.	4.750	01-Aug-2022	16 046	16 750	
13 200	Universal Health Services Inc.	5.000	01-Jun-2026	17 276	17 570	
7 500	Valvoline Inc.	5.500	15-Jul-2024	10 070	10 034	
5 000	Valvoline Inc.	4.375	15-Aug-2025	6 371	6 288	
15 000	Vistra Operations Co. LLC	5.500	01-Sep-2026	19 596	19 787	
28 000	Western Digital Corp.	4.750	15-Feb-2026	34 483	33 304	
6 075	WPX Energy Inc.	6.000	15-Jan-2022	7 358	8 107	
2 950	WPX Energy Inc.	8.250	01-Aug-2023	3 177	4 229	
15 000	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	20 739	18 046	
				1 042 440	1 040 434	61.9
TOTAL BONDS				1 556 028	1 548 171	92.1
SHORT-TERM INVESTMENTS†						
20 760	Bank of Montreal			20 727	20 727	
45 180	Bank of Nova Scotia			45 110	45 110	
12 610	Government of Canada Treasury Bills			12 529	12 529	
41 240	Toronto-Dominion Bank			41 166	41 166	
TOTAL SHORT-TERM INVESTMENTS				119 532	119 532	7.1
TOTAL INVESTMENTS				1 710 532	1 703 698	101.3
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	5 181	0.3
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(56 799)	(3.4)
TOTAL PORTFOLIO				\$ 1 710 532	1 652 080	98.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					29 602	1.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 681 682	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 000 Sold CAD 1 340 @ 0.7462	14-Jan-2019	\$ 25
Bought USD 1 600 Sold CAD 2 180 @ 0.7338	14-Jan-2019	3
Bought USD 12 700 Sold CAD 16 850 @ 0.7537	18-Jan-2019	480
Bought USD 3 000 Sold CAD 3 921 @ 0.7652	23-Jan-2019	172
Bought USD 803 Sold CAD 1 048 @ 0.7661	23-Jan-2019	47
Bought USD 3 800 Sold CAD 5 017 @ 0.7574	23-Jan-2019	167
Bought USD 15 330 Sold CAD 20 237 @ 0.7575	23-Jan-2019	679
Bought USD 3 500 Sold CAD 4 697 @ 0.7451	23-Jan-2019	78
Bought USD 3 000 Sold CAD 3 955 @ 0.7585	24-Jan-2019	138
Bought USD 3 000 Sold CAD 3 964 @ 0.7568	24-Jan-2019	129
Bought USD 3 760 Sold CAD 4 990 @ 0.7535	24-Jan-2019	140
Bought USD 3 000 Sold CAD 3 975 @ 0.7547	24-Jan-2019	118
Bought USD 1 000 Sold CAD 1 311 @ 0.7628	28-Jan-2019	53
Bought USD 7 670 Sold CAD 10 050 @ 0.7632	04-Feb-2019	412
Bought USD 2 675 Sold CAD 3 645 @ 0.7339	04-Feb-2019	4
Bought USD 5 000 Sold CAD 6 779 @ 0.7376	11-Feb-2019	40
Bought USD 9 055 Sold CAD 11 852 @ 0.7640	12-Feb-2019	497
Bought USD 4 399 Sold CAD 5 751 @ 0.7650	12-Feb-2019	248
Bought USD 12 670 Sold CAD 16 725 @ 0.7575	12-Feb-2019	554
Bought USD 1 000 Sold CAD 1 317 @ 0.7594	12-Feb-2019	47
Bought USD 2 094 Sold CAD 2 757 @ 0.7594	12-Feb-2019	98
Bought USD 22 870 Sold CAD 30 567 @ 0.7482	12-Feb-2019	621
Bought USD 5 810 Sold CAD 7 667 @ 0.7578	13-Feb-2019	256
Bought USD 2 000 Sold CAD 2 716 @ 0.7364	04-Mar-2019	10
Bought USD 2 000 Sold CAD 2 663 @ 0.7512	12-Mar-2019	63
Bought USD 815 Sold CAD 1 090 @ 0.7478	19-Mar-2019	21
Bought USD 6 550 Sold CAD 8 845 @ 0.7405	19-Mar-2019	81
		\$ 5 181

Contracts	Maturity Date	Unrealized Loss
Bought CAD 3 650 Sold USD 2 677 @ 1.3638	02-Jan-2019	\$ (4)
Bought CAD 1 177 Sold USD 912 @ 1.2906	04-Jan-2019	(68)
Bought CAD 26 051 Sold USD 20 000 @ 1.3025	09-Jan-2019	(1 249)
Bought CAD 39 181 Sold USD 29 700 @ 1.3192	11-Jan-2019	(1 356)
Bought CAD 50 133 Sold USD 39 254 @ 1.2771	14-Jan-2019	(3 439)
Bought CAD 3 948 Sold USD 3 040 @ 1.2987	14-Jan-2019	(201)
Bought CAD 4 854 Sold USD 3 740 @ 1.2980	16-Jan-2019	(249)
Bought CAD 2 617 Sold USD 2 000 @ 1.3086	16-Jan-2019	(112)
Bought CAD 24 780 Sold USD 19 376 @ 1.2789	17-Jan-2019	(1 662)
Bought CAD 26 822 Sold USD 20 500 @ 1.3084	17-Jan-2019	(1 153)
Bought CAD 81 008 Sold USD 63 249 @ 1.2808	18-Jan-2019	(5 301)
Bought CAD 17 832 Sold USD 13 700 @ 1.3016	22-Jan-2019	(861)
Bought CAD 55 928 Sold USD 43 384 @ 1.2891	23-Jan-2019	(3 264)
Bought CAD 9 024 Sold USD 6 900 @ 1.3078	23-Jan-2019	(390)
Bought CAD 91 Sold USD 70 @ 1.3054	24-Jan-2019	(4)
Bought CAD 8 240 Sold USD 6 300 @ 1.3080	24-Jan-2019	(355)
Bought CAD 50 647 Sold USD 38 800 @ 1.3053	24-Jan-2019	(2 290)
Bought CAD 17 398 Sold USD 13 455 @ 1.2930	25-Jan-2019	(959)
Bought CAD 2 579 Sold USD 2 000 @ 1.2895	28-Jan-2019	(149)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 250 Sold GBP 729 @ 1.7143	28-Jan-2019	\$ (20)
Bought CAD 39 021 Sold USD 29 860 @ 1.3068	28-Jan-2019	(1 714)
Bought CAD 1 186 Sold USD 890 @ 1.3326	28-Jan-2019	(28)
Bought CAD 29 700 Sold USD 22 876 @ 1.2983	29-Jan-2019	(1 506)
Bought CAD 20 580 Sold USD 15 900 @ 1.2943	30-Jan-2019	(1 109)
Bought CAD 51 927 Sold USD 39 711 @ 1.3076	31-Jan-2019	(2 241)
Bought CAD 16 156 Sold USD 12 380 @ 1.3050	01-Feb-2019	(731)
Bought CAD 35 014 Sold USD 26 820 @ 1.3055	04-Feb-2019	(1 567)
Bought CAD 42 638 Sold USD 32 528 @ 1.3108	04-Feb-2019	(1 728)
Bought CAD 25 280 Sold USD 19 301 @ 1.3098	05-Feb-2019	(1 045)
Bought CAD 34 344 Sold USD 25 701 @ 1.3363	06-Feb-2019	(709)
Bought CAD 4 836 Sold USD 3 690 @ 1.3104	07-Feb-2019	(197)
Bought CAD 38 143 Sold USD 29 034 @ 1.3137	08-Feb-2019	(1 455)
Bought CAD 13 018 Sold USD 9 964 @ 1.3065	11-Feb-2019	(570)
Bought CAD 1 333 Sold USD 1 000 @ 1.3334	11-Feb-2019	(30)
Bought CAD 12 565 Sold USD 9 600 @ 1.3089	12-Feb-2019	(527)
Bought CAD 3 320 Sold USD 2 500 @ 1.3281	12-Feb-2019	(89)
Bought CAD 4 933 Sold USD 3 749 @ 1.3157	12-Feb-2019	(180)
Bought CAD 336 Sold USD 252 @ 1.3349	12-Feb-2019	(7)
Bought CAD 333 Sold USD 247 @ 1.3464	12-Feb-2019	(4)
Bought CAD 2 409 Sold USD 1 782 @ 1.3520	12-Feb-2019	(21)
Bought CAD 1 501 Sold USD 1 110 @ 1.3523	12-Feb-2019	(13)
Bought CAD 40 191 Sold USD 30 736 @ 1.3076	13-Feb-2019	(1 724)
Bought CAD 15 759 Sold USD 12 042 @ 1.3086	14-Feb-2019	(663)
Bought CAD 17 583 Sold USD 13 200 @ 1.3321	14-Feb-2019	(417)
Bought CAD 17 366 Sold USD 13 000 @ 1.3358	19-Feb-2019	(360)
Bought CAD 20 809 Sold USD 15 575 @ 1.3361	19-Feb-2019	(427)
Bought CAD 2 730 Sold USD 2 060 @ 1.3253	20-Feb-2019	(79)
Bought CAD 34 061 Sold USD 25 947 @ 1.3127	21-Feb-2019	(1 316)
Bought CAD 15 786 Sold USD 12 000 @ 1.3155	22-Feb-2019	(575)
Bought CAD 27 430 Sold USD 20 839 @ 1.3163	25-Feb-2019	(981)
Bought CAD 535 Sold USD 400 @ 1.3373	25-Feb-2019	(10)
Bought CAD 37 040 Sold USD 27 949 @ 1.3253	26-Feb-2019	(1 064)
Bought CAD 16 995 Sold USD 12 877 @ 1.3198	27-Feb-2019	(560)
Bought CAD 23 900 Sold USD 18 017 @ 1.3265	28-Feb-2019	(662)
Bought CAD 19 698 Sold USD 14 899 @ 1.3221	01-Mar-2019	(613)
Bought CAD 3 162 Sold GBP 1 866 @ 1.6948	01-Mar-2019	(89)
Bought CAD 7 382 Sold USD 5 600 @ 1.3181	01-Mar-2019	(253)
Bought CAD 5 231 Sold USD 3 945 @ 1.3260	04-Mar-2019	(147)
Bought CAD 3 470 Sold USD 2 600 @ 1.3345	04-Mar-2019	(75)
Bought CAD 400 Sold USD 300 @ 1.3349	05-Mar-2019	(8)
Bought CAD 47 963 Sold USD 36 200 @ 1.3250	06-Mar-2019	(1 381)
Bought CAD 24 983 Sold USD 18 826 @ 1.3271	07-Mar-2019	(678)
Bought CAD 14 200 Sold USD 10 777 @ 1.3177	08-Mar-2019	(489)
Bought CAD 682 Sold USD 514 @ 1.3276	11-Mar-2019	(18)
Bought CAD 9 570 Sold USD 7 248 @ 1.3204	12-Mar-2019	(308)
Bought CAD 33 909 Sold USD 25 458 @ 1.3320	13-Mar-2019	(789)
Bought CAD 9 604 Sold USD 7 195 @ 1.3348	14-Mar-2019	(202)
Bought CAD 40 306 Sold USD 30 135 @ 1.3375	15-Mar-2019	(764)
Bought CAD 32 780 Sold USD 24 374 @ 1.3449	15-Mar-2019	(438)
Bought CAD 1 784 Sold GBP 1 053 @ 1.6941	18-Mar-2019	(52)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 26 993 Sold USD 20 178 @ 1.3378	19-Mar-2019	\$ (504)
Bought CAD 2 003 Sold USD 1 500 @ 1.3357	19-Mar-2019	(41)
Bought CAD 2 689 Sold USD 2 000 @ 1.3444	19-Mar-2019	(37)
Bought CAD 35 166 Sold USD 26 405 @ 1.3318	20-Mar-2019	(817)
Bought CAD 33 515 Sold USD 25 175 @ 1.3313	21-Mar-2019	(791)
Bought CAD 25 941 Sold USD 19 350 @ 1.3406	21-Mar-2019	(428)
Bought CAD 6 213 Sold USD 4 650 @ 1.3362	22-Mar-2019	(123)
Bought CAD 26 009 Sold USD 19 351 @ 1.3441	25-Mar-2019	(359)
		<u>\$ (56 799)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (51 618)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 1.52% to 2.22% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 703 698	\$ 1 896 616
Cash	197	201
Due from investment dealers	3 579	—
Subscriptions receivable	3 455	2 058
Unrealized gain on foreign exchange contracts	5 181	17 700
Dividends receivable, interest accrued and other assets	25 116	21 251
TOTAL ASSETS	1 741 226	1 937 826
LIABILITIES		
Redemptions payable	2 400	1 157
Unrealized loss on foreign exchange contracts	56 799	5 773
Distributions payable	4	—
Accounts payable and accrued expenses	341	411
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	59 544	7 341
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 681 682	\$ 1 930 485
Investments at cost	\$ 1 710 532	\$ 1 867 008
NAV		
SERIES A	\$ 97 634	\$ 128 435
ADVISOR SERIES	\$ 50 671	\$ 62 900
SERIES D	\$ 66 407	\$ 72 006
SERIES F	\$ 93 475	\$ 117 315
SERIES O	\$ 1 373 495	\$ 1 549 829
NAV PER UNIT		
SERIES A	\$ 9.96	\$ 10.82
ADVISOR SERIES	\$ 10.04	\$ 10.91
SERIES D	\$ 10.04	\$ 10.91
SERIES F	\$ 10.07	\$ 10.93
SERIES O	\$ 10.11	\$ 10.98

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 672	\$ 715
Interest for distribution purposes	94 188	85 413
Income from investment trusts	2 266	6 118
Derivative income	(63 260)	61 767
Net realized gain (loss) on investments	15 423	65 455
Change in unrealized gain (loss) on investments	(99 987)	(100 612)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(50 698)	118 856
Securities lending revenue (see note 7 in the generic notes)	645	598
Net gain (loss) on foreign cash balances	(601)	702
TOTAL OTHER INCOME (LOSS)	44	1 300
TOTAL INCOME (LOSS)	(50 654)	120 156
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 631	3 897
Administration fees	469	487
Independent Review Committee costs	2	3
GST/HST	414	446
Transaction costs	33	9
Withholding tax	314	743
TOTAL EXPENSES	4 863	5 585
INCREASE (DECREASE) IN NAV	\$ (55 517)	\$ 114 571
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (4 679)	\$ 6 393
ADVISOR SERIES	\$ (2 504)	\$ 3 060
SERIES D	\$ (2 657)	\$ 3 512
SERIES F	\$ (4 025)	\$ 6 023
SERIES O	\$ (41 652)	\$ 95 583
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.43)	\$ 0.53
ADVISOR SERIES	\$ (0.44)	\$ 0.52
SERIES D	\$ (0.41)	\$ 0.56
SERIES F	\$ (0.38)	\$ 0.60
SERIES O	\$ (0.30)	\$ 0.70



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (55 517)	\$ 114 571
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(168)	(593)
Net realized loss (gain) on investments	(15 381)	(65 448)
Change in unrealized loss (gain) on investments	99 987	100 612
(Increase) decrease in accrued receivables	(3 865)	4 195
Increase (decrease) in accrued payables	(70)	7
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 388 926)	(3 949 843)
Proceeds from sale and maturity of investments	2 557 372	3 993 754
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	193 432	197 255
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	512 752	492 008
Cash paid on redemption of redeemable units	(667 613)	(654 026)
Distributions paid to holders of redeemable units	(38 575)	(35 229)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (193 436)	\$ (197 247)
Net increase (decrease) in cash for the period	(4)	8
Cash (bank overdraft), beginning of period	201	193
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 197	\$ 201
Interest received (paid)	\$ 90 323	\$ 89 344
Dividends received, net of withholding taxes	\$ 358	\$ 236

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 128 435	\$ 131 462	\$ 62 900	\$ 61 156	\$ 72 006	\$ 62 257	\$ 117 315	\$ 110 807
INCREASE (DECREASE) IN NAV	(4 679)	6 393	(2 504)	3 060	(2 657)	3 512	(4 025)	6 023
Early redemption fees	—	—	—	1	4	—	—	—
Proceeds from redeemable units issued	12 271	25 031	11 732	19 929	12 862	19 317	38 182	64 768
Reinvestments of distributions to holders of redeemable units	4 056	4 247	1 847	1 730	2 764	2 470	2 626	2 374
Redemption of redeemable units	(38 117)	(34 126)	(21 033)	(20 757)	(15 554)	(12 853)	(55 608)	(62 160)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(21 790)	(4 848)	(7 454)	903	76	8 934	(14 800)	4 982
Distributions from net income	(4 332)	(4 572)	(2 271)	(2 219)	(3 018)	(2 697)	(5 015)	(4 497)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 332)	(4 572)	(2 271)	(2 219)	(3 018)	(2 697)	(5 015)	(4 497)
NET INCREASE (DECREASE) IN NAV	(30 801)	(3 027)	(12 229)	1 744	(5 599)	9 749	(23 840)	6 508
NAV AT END OF PERIOD	\$ 97 634	\$ 128 435	\$ 50 671	\$ 62 900	\$ 66 407	\$ 72 006	\$ 93 475	\$ 117 315

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 549 829	\$ 1 647 774	\$ 1 930 485	\$ 2 013 456
INCREASE (DECREASE) IN NAV	(41 652)	95 583	(55 517)	114 571
Early redemption fees	—	—	4	1
Proceeds from redeemable units issued	455 865	383 308	530 912	512 353
Reinvestments of distributions to holders of redeemable units	42 108	41 933	53 401	52 754
Redemption of redeemable units	(555 311)	(544 771)	(685 623)	(674 667)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(57 338)	(119 530)	(101 306)	(109 559)
Distributions from net income	(77 344)	(73 998)	(91 980)	(87 983)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(77 344)	(73 998)	(91 980)	(87 983)
NET INCREASE (DECREASE) IN NAV	(176 334)	(97 945)	(248 803)	(82 971)
NAV AT END OF PERIOD	\$ 1 373 495	\$ 1 549 829	\$ 1 681 682	\$ 1 930 485

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
A	—	1.7
BBB	15.4	11.5
BB	46.7	42.5
B	36.4	42.7
CCC	1.5	1.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	61.9	52.2
Canada	22.8	20.4
Other Countries	8.1	8.0
Cash/Other	7.2	19.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	18.8	11.5
5 – 10 years	75.6	82.2
> 10 years	5.6	6.3
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.8% (December 31, 2017 – 4.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	11 694	—	—	11 694
Underlying funds	24 301	—	—	24 301
Fixed-income				
and debt securities	—	1 548 171	—	1 548 171
Short-term investments	—	119 532	—	119 532
Derivatives – assets	—	5 181	—	5 181
Derivatives – liabilities	—	(56 799)	—	(56 799)
Total financial instruments	35 995	1 616 085	—	1 652 080
% of total portfolio	2.2	97.8	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	13 993	—	—	13 993
Underlying funds	119 514	—	—	119 514
Fixed-income				
and debt securities	—	1 543 310	—	1 543 310
Short-term investments	—	219 799	—	219 799
Derivatives – assets	—	17 700	—	17 700
Derivatives – liabilities	—	(5 773)	—	(5 773)
Total financial instruments	133 507	1 775 036	—	1 908 543
% of total portfolio	7.0	93.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.05%
Advisor Series	1.25%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets				
Foreign Exchange Fund	1.4	2.3	1.0	2.4

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital				
High Yield Bond SPDR Fund	–	–	2.7	0.3
iShares iBoxx \$ High Yield				
Corporate Bond Fund	–	–	2.6	0.2

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	75 898
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	11 871	12 317
Issued number of units	1 163	2 309
Reinvested number of units	391	393
Redeemed number of units	(3 622)	(3 148)
Ending number of units	9 803	11 871
Advisor Series		
Opening units	5 765	5 682
Issued number of units	1 085	1 822
Reinvested number of units	176	159
Redeemed number of units	(1 981)	(1 898)
Ending number of units	5 045	5 765

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	6 598	5 782
Issued number of units	1 214	1 764
Reinvested number of units	264	227
Redeemed number of units	(1 464)	(1 175)
Ending number of units	6 612	6 598
Series F		
Opening units	10 727	10 269
Issued number of units	3 580	5 899
Reinvested number of units	250	218
Redeemed number of units	(5 271)	(5 659)
Ending number of units	9 286	10 727
Series O		
Opening units	141 060	151 979
Issued number of units	43 157	34 772
Reinvested number of units	4 010	3 824
Redeemed number of units	(52 419)	(49 515)
Ending number of units	135 808	141 060

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	33	100	9	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	209 604	254 467
Fair value of collateral received	213 796	259 556

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 072	100	957	100
RBC IS (paid)	(267)	(25)	(257)	(27)
Tax withheld	(160)	(15)	(102)	(11)
Fund revenue	645	60	598	62



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North Alpha Plus Bond Fund	–	–
Phillips, Hager & North Core Plus Bond Fund	–	–
Phillips, Hager & North Enhanced Long Bond Pension Trust	0.2	0.2
Phillips, Hager & North Enhanced Total Return Bond Fund	–	–
Phillips, Hager & North Long Core Plus Bond Fund	0.1	0.4
Phillips, Hager & North Monthly Income Fund	5.7	6.4
Phillips, Hager & North Total Return Bond Fund	0.1	–
RBC Core Bond Pool	1.3	–
RBC Core Plus Bond Pool	2.8	–
RBC Global Balanced Fund	0.1	0.2
RBC Monthly Income Bond Fund	1.2	1.4
RBC Strategic Income Bond Fund	4.5	2.7
RBC Target 2025 Education Fund	–	1.8
RBC Target 2030 Education Fund	3.6	3.6
RBC Target 2035 Education Fund	0.5	0.1
RBC Total Return Growth Fund	–	–
Total	20.1	16.8

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	5 181	(56 799)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	5 181	(56 799)
Related amounts not set-off	(3 720)	3 720
Collateral (received) pledged	–	10 427
Net amount	1 461	(42 652)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	17 700	(5 773)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	17 700	(5 773)
Related amounts not set-off	(5 382)	5 382
Collateral (received) pledged	(1 689)	391
Net amount	10 629	–



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. HIGH YIELD BOND FUND

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
1 400	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	\$ 1 417	\$ 1 293	
				1 417	1 293	1.1
Canada						
1 610	Baytex Energy Corp. USD	5.125	01-Jun-2021	1 498	1 550	
700	Baytex Energy Corp. USD	5.625	01-Jun-2024	648	609	
1 325	Enbridge Inc. USD	5.500	15-Jul-2077	1 160	1 127	
1 250	Gibson Energy Inc.	5.250	15-Jul-2024	964	891	
350	Mattamy Group Corp. USD	6.875	15-Dec-2023	342	329	
1 525	Mattamy Group Corp. USD	6.500	01-Oct-2025	1 521	1 373	
1 000	New Gold Inc. USD	6.250	15-Nov-2022	1 022	845	
675	New Gold Inc. USD	6.375	15-May-2025	705	516	
500	Parkland Fuel Corp.	5.750	16-Sep-2024	401	359	
1 550	Parkland Fuel Corp.	5.625	09-May-2025	1 226	1 082	
850	Precision Drilling Corp. USD	5.250	15-Nov-2024	752	710	
760	Precision Drilling Corp. USD	7.125	15-Jan-2026	771	657	
2 100	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	2 112	1 887	
800	Superior Plus Corp. USD	7.000	15-Jul-2026	804	776	
1 875	Superior Plus LP	5.250	27-Feb-2024	1 509	1 294	
750	Superior Plus LP	5.125	27-Aug-2025	611	503	
1 025	Vermilion Energy Inc. USD	5.625	15-Mar-2025	1 021	966	
1 800	Videotron Ltd.	5.625	15-Jun-2025	1 495	1 340	
1 100	Videotron Ltd.	5.750	15-Jan-2026	860	818	
400	Videotron Ltd. USD	5.125	15-Apr-2027	413	379	
				19 835	18 011	15.9
Ireland						
575	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	588	546	
600	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	650	601	
				1 238	1 147	1.0
Luxembourg						
500	Altice Financing S.A. USD	6.625	15-Feb-2023	498	481	
2 200	ArcelorMittal USD	8.000	15-Oct-2039	2 322	2 325	
1 300	INEOS Group Holdings S.A. USD	5.625	01-Aug-2024	1 286	1 156	
				4 106	3 962	3.5
New Zealand						
1 450	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	1 480	1 383	
				1 480	1 383	1.2
United Kingdom						
410	Ashtead Capital Inc. USD	5.625	01-Oct-2024	404	416	
495	Ashtead Capital Inc. USD	5.250	01-Aug-2026	497	480	
745	Ashtead Capital Inc. USD	4.375	15-Aug-2027	747	674	
				1 648	1 570	1.4
United States						
2 330	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	2 280	1 794	
1 590	Alcoa Nederland Holding BV	6.750	30-Sep-2024	1 665	1 622	
185	Alcoa Nederland Holding BV	7.000	30-Sep-2026	201	190	
800	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	1 130	954	
800	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	773	688	
500	AMC Entertainment Holdings Inc.	6.125	15-May-2027	489	430	
2 235	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	2 257	2 009	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 800	Avis Budget Car Rental LLC	5.250	15-Mar-2025	\$ 1 678	\$ 1 564	
500	Berry Global Inc.	4.500	15-Feb-2026	476	459	
1 700	Blue Racer Midstream LLC	6.625	15-Jul-2026	1 708	1 590	
515	Boyd Gaming Corp.	6.375	01-Apr-2026	555	500	
600	Boyd Gaming Corp.	6.000	15-Aug-2026	602	563	
1 525	Builders FirstSource Inc.	5.625	01-Sep-2024	1 550	1 420	
430	Calpine Corp.	5.250	01-Jun-2026	429	394	
2 390	CCO Holdings LLC	5.750	15-Feb-2026	2 453	2 348	
500	CCO Holdings LLC	5.125	01-May-2027	509	467	
450	CDW LLC	5.000	01-Sep-2025	468	433	
1 800	Cedar Fair LP	5.375	15-Apr-2027	1 857	1 708	
850	CenturyLink Inc.	7.500	01-Apr-2024	902	822	
1 730	Cinemark USA Inc.	4.875	01-Jun-2023	1 720	1 665	
300	CIT Group Inc.	5.000	01-Aug-2023	309	295	
800	CIT Group Inc.	5.250	07-Mar-2025	823	784	
675	Consol Energy Inc.	5.875	15-Apr-2022	607	650	
2 100	CSC Holdings LLC	5.500	15-Apr-2027	2 172	1 959	
1 850	Dana Inc.	5.500	15-Dec-2024	1 869	1 730	
1 500	Diamond 1 Finance Corp.	6.020	15-Jun-2026	1 674	1 509	
600	Diamond 1 Finance Corp.	8.100	15-Jul-2036	688	654	
450	DISH DBS Corp.	5.875	15-Nov-2024	450	364	
600	Equinix Inc.	5.875	15-Jan-2026	630	606	
250	Frontier Communications Corp.	11.000	15-Sep-2025	216	157	
1 650	Hanesbrands Inc.	4.875	15-May-2026	1 664	1 495	
1 900	HCA Inc.	5.875	15-Feb-2026	1 991	1 895	
800	HCA Inc.	4.500	15-Feb-2027	778	758	
1 480	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	1 483	1 425	
1 050	International Game Technology Plc.	6.500	15-Feb-2025	1 188	1 040	
1 210	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	1 201	1 168	
425	Lennar Corp.	4.750	30-May-2025	432	400	
2 675	Lennar Corp.	5.250	01-Jun-2026	2 684	2 531	
425	MGM Resorts International	6.000	15-Mar-2023	455	428	
950	Mobile Mini Inc.	5.875	01-Jul-2024	989	933	
1 325	Murphy Oil Corp.	5.750	15-Aug-2025	1 346	1 241	
1 050	NCR Corp.	5.000	15-Jul-2022	1 057	995	
1 380	New Albertson's Inc.	6.625	15-Jun-2024	1 344	1 286	
500	NRG Energy Inc.	6.250	01-May-2024	489	509	
925	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	1 024	920	
750	Parsley Energy LLC	6.250	01-Jun-2024	765	729	
50	Parsley Energy LLC	5.375	15-Jan-2025	50	46	
1 000	Parsley Energy LLC	5.625	15-Oct-2027	1 010	914	
1 300	Post Holdings Inc.	5.750	01-Mar-2027	1 280	1 225	
410	PulteGroup Inc.	5.500	01-Mar-2026	404	396	
1 465	PulteGroup Inc.	5.000	15-Jan-2027	1 362	1 331	
1 800	Rite Aid Corp.	6.125	01-Apr-2023	1 753	1 429	
1 500	SemGroup Corp.	6.375	15-Mar-2025	1 491	1 391	
200	SemGroup Corp.	7.250	15-Mar-2026	199	188	
1 750	Six Flags Entertainment Corp.	5.500	15-Apr-2027	1 773	1 654	
240	SM Energy Co.	5.625	01-Jun-2025	213	210	
1 410	SM Energy Co.	6.750	15-Sep-2026	1 425	1 269	
700	Sonic Automotive Inc.	5.000	15-May-2023	668	639	
800	Sonic Automotive Inc.	6.125	15-Mar-2027	807	704	
3 080	Sprint Capital Corp.	6.875	15-Nov-2028	3 067	2 918	
300	Sprint Nextel Corp.	6.000	15-Nov-2022	300	295	
1 025	T-Mobile USA Inc.	6.500	15-Jan-2026	1 125	1 048	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
800	T-Mobile USA Inc.	4.750	01-Feb-2028	\$ 805	\$ 727	
300	Targa Resources Partners LP	5.875	15-Apr-2026	302	293	
500	Targa Resources Partners LP	5.375	01-Feb-2027	478	471	
1 060	Targa Resources Partners LP	5.000	15-Jan-2028	1 059	962	
380	Tempur Sealy International Inc.	5.625	15-Oct-2023	393	368	
1 320	Tempur Sealy International Inc.	5.500	15-Jun-2026	1 316	1 211	
1 675	Tenet Healthcare Corp.	4.625	15-Jul-2024	1 676	1 564	
200	The AES Corp.	4.500	15-Mar-2023	199	196	
175	The EW Scripps Co.	5.125	15-May-2025	179	161	
2 150	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	2 148	1 943	
1 890	Toll Brothers Finance Corp.	4.350	15-Feb-2028	1 696	1 625	
1 600	Unit Corp.	6.625	15-May-2021	1 579	1 464	
275	United Rentals North America Inc.	5.500	15-Jul-2025	279	260	
1 425	United Rentals North America Inc.	5.875	15-Sep-2026	1 477	1 348	
700	Universal Health Services Inc.	5.000	01-Jun-2026	705	683	
285	Valvoline Inc.	5.500	15-Jul-2024	292	279	
950	Valvoline Inc.	4.375	15-Aug-2025	953	875	
1 460	Vistra Operations Co. LLC	5.500	01-Sep-2026	1 463	1 411	
1 800	Western Digital Corp.	4.750	15-Feb-2026	1 817	1 568	
950	WPX Energy Inc.	5.250	15-Sep-2024	946	865	
1 250	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	1 266	1 102	
				89 985	83 114	73.1
TOTAL BONDS				119 709	110 480	97.2
SHORT-TERM INVESTMENTS*				886	886	0.8
TOTAL INVESTMENTS				120 595	111 366	98.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	487	0.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(91)	(0.1)
TOTAL PORTFOLIO				\$ 120 595	111 762	98.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					1 907	1.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 113 669	100.0



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 456 Sold CAD 1 881 @ 0.7741	07-Jan-2019	\$ 79
Bought PLN 2 684 Sold USD 706 @ 3.8008	15-Jan-2019	11
Bought USD 1 349 Sold CAD 1 739 @ 0.7757	23-Jan-2019	74
Bought EUR 529 Sold USD 602 @ 0.8794	25-Jan-2019	6
Bought NOK 4 990 Sold USD 572 @ 8.7269	28-Jan-2019	6
Bought USD 191 Sold GBP 146 @ 1.3106	28-Jan-2019	5
Bought USD 2 029 Sold CAD 2 657 @ 0.7635	05-Feb-2019	81
Bought USD 627 Sold CAD 821 @ 0.7631	07-Feb-2019	25
Bought USD 1 358 Sold CAD 1 774 @ 0.7654	11-Feb-2019	57
Bought USD 128 Sold CAD 168 @ 0.7640	12-Feb-2019	5
Bought JPY 171 968 Sold USD 1 526 @ 112.7075	15-Feb-2019	49
Bought USD 1 516 Sold CAD 1 996 @ 0.7597	25-Feb-2019	52
Bought USD 64 Sold AUD 87 @ 0.7318	28-Feb-2019	2
Bought USD 644 Sold AUD 870 @ 0.7401	28-Feb-2019	30
Bought USD 75 Sold CAD 100 @ 0.7533	11-Mar-2019	2
Bought USD 48 Sold CAD 63 @ 0.7555	13-Mar-2019	1
Bought USD 112 Sold CAD 150 @ 0.7440	25-Mar-2019	2
		\$ 487

Contracts	Maturity Date	Unrealized Loss
Bought CAD 76 Sold USD 58 @ 1.3049	07-Jan-2019	\$ (3)
Bought USD 713 Sold PLN 2 684 @ 0.2656	15-Jan-2019	(5)
Bought AUD 818 Sold USD 582 @ 1.4060	22-Jan-2019	(5)
Bought CAD 186 Sold USD 142 @ 1.3108	23-Jan-2019	(6)
Bought USD 607 Sold EUR 529 @ 1.1471	25-Jan-2019	(1)
Bought CAD 248 Sold USD 186 @ 1.3323	05-Feb-2019	(4)
Bought CAD 785 Sold USD 587 @ 1.3383	05-Feb-2019	(11)
Bought CAD 122 Sold USD 93 @ 1.3070	11-Feb-2019	(4)
Bought CAD 977 Sold USD 738 @ 1.3242	11-Feb-2019	(20)
Bought USD 142 Sold JPY 15 848 @ 0.0089	15-Feb-2019	(4)
Bought USD 114 Sold JPY 12 818 @ 0.0089	15-Feb-2019	(4)
Bought USD 61 Sold JPY 6 839 @ 0.0089	15-Feb-2019	(2)
Bought USD 80 Sold JPY 8 902 @ 0.0090	15-Feb-2019	(1)
Bought AUD 957 Sold USD 690 @ 1.3860	28-Feb-2019	(15)
Bought USD 457 Sold GBP 359 @ 1.2738	01-Mar-2019	(2)
Bought USD 400 Sold GBP 316 @ 1.2669	18-Mar-2019	(4)
		\$ (91)
TOTAL FOREIGN EXCHANGE		\$ 396

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 111 366	\$ 192 415
Cash	87	51
Subscriptions receivable	62	142
Unrealized gain on foreign exchange contracts	487	31
Dividends receivable, interest accrued and other assets	1 789	2 319
TOTAL ASSETS	113 791	194 958
LIABILITIES		
Redemptions payable	20	11
Unrealized loss on foreign exchange contracts	91	179
Accounts payable and accrued expenses	11	15
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	122	205
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 113 669	\$ 194 753
Investments at cost	\$ 120 595	\$ 189 289
NAV		
SERIES A	\$ 3 748	\$ 4 709
ADVISOR SERIES	\$ 89	\$ 308
SERIES D	\$ 1 505	\$ 2 171
SERIES F	\$ 2 516	\$ 3 498
SERIES O	\$ 105 811	\$ 184 067
NAV PER UNIT		
SERIES A	\$ 8.82	\$ 9.70
ADVISOR SERIES	\$ 8.84	\$ 9.72
SERIES D	\$ 8.80	\$ 9.67
SERIES F	\$ 8.88	\$ 9.77
SERIES O	\$ 8.80	\$ 9.68

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 9 068	\$ 7 832
Income from investment trusts	142	728
Derivative income	440	78
Net realized gain (loss) on investments	(1 603)	593
Change in unrealized gain (loss) on investments	(11 811)	952
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 764)	10 183
Securities lending revenue (see note 7 in the generic notes)	64	65
Net gain (loss) on foreign cash balances	3	(278)
TOTAL OTHER INCOME (LOSS)	67	(213)
TOTAL INCOME (LOSS)	(3 697)	9 970
EXPENSES (see notes – Fund Specific Information)		
Management fees	95	93
Administration fees	36	36
Independent Review Committee costs	2	2
GST/HST	13	12
Transaction costs	5	1
Withholding tax	22	99
TOTAL EXPENSES	173	243
INCREASE (DECREASE) IN NAV	\$ (3 870)	\$ 9 727
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (177)	\$ 186
ADVISOR SERIES	\$ (7)	\$ 20
SERIES D	\$ (64)	\$ 82
SERIES F	\$ (101)	\$ 163
SERIES O	\$ (3 521)	\$ 9 276
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.39)	\$ 0.45
ADVISOR SERIES	\$ (0.24)	\$ 0.47
SERIES D	\$ (0.35)	\$ 0.50
SERIES F	\$ (0.32)	\$ 0.52
SERIES O	\$ (0.22)	\$ 0.58

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 870)	\$ 9 727
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	1 609	(593)
Change in unrealized loss (gain) on investments	11 811	(952)
(Increase) decrease in accrued receivables	530	(1 101)
Increase (decrease) in accrued payables	(4)	5
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(944 039)	(3 945 019)
Proceeds from sale and maturity of investments	1 011 124	3 853 049
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	77 161	(84 884)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	32 295	136 762
Cash paid on redemption of redeemable units	(105 167)	(48 248)
Distributions paid to holders of redeemable units	(4 253)	(3 646)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (77 125)	\$ 84 868
Net increase (decrease) in cash for the period	36	(16)
Cash (bank overdraft), beginning of period	51	67
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 87	\$ 51
Interest received (paid)	\$ 9 598	\$ 6 714
Dividends received, net of withholding taxes	\$ —	\$ 647

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 709	\$ 3 088	\$ 308	\$ 240	\$ 2 171	\$ 1 203	\$ 3 498	\$ 2 818
INCREASE (DECREASE) IN NAV	(177)	186	(7)	20	(64)	82	(101)	163
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	839	2 632	2	495	384	1 529	260	1 168
Reinvestments of distributions to holders of redeemable units	212	134	6	9	89	67	126	93
Redemption of redeemable units	(1 616)	(1 185)	(208)	(442)	(982)	(641)	(1 099)	(618)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(565)	1 581	(200)	62	(509)	955	(713)	643
Distributions from net income	(194)	(139)	(11)	(14)	(83)	(66)	(151)	(121)
Distributions from net gains	(25)	(7)	(1)	—	(10)	(3)	(17)	(5)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(219)	(146)	(12)	(14)	(93)	(69)	(168)	(126)
NET INCREASE (DECREASE) IN NAV	(961)	1 621	(219)	68	(666)	968	(982)	680
NAV AT END OF PERIOD	\$ 3 748	\$ 4 709	\$ 89	\$ 308	\$ 1 505	\$ 2 171	\$ 2 516	\$ 3 498

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 184 067	\$ 91 131	\$ 194 753	\$ 98 480
INCREASE (DECREASE) IN NAV	(3 521)	9 276	(3 870)	9 727
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	30 741	131 385	32 226	137 209
Reinvestments of distributions to holders of redeemable units	5 316	4 411	5 749	4 714
Redemption of redeemable units	(101 282)	(44 131)	(105 187)	(47 017)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(65 225)	91 665	(67 212)	94 906
Distributions from net income	(8 786)	(7 740)	(9 225)	(8 080)
Distributions from net gains	(724)	(265)	(777)	(280)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9 510)	(8 005)	(10 002)	(8 360)
NET INCREASE (DECREASE) IN NAV	(78 256)	92 936	(81 084)	96 273
NAV AT END OF PERIOD	\$ 105 811	\$ 184 067	\$ 113 669	\$ 194 753

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
A	0.4	—
BBB	6.5	4.6
BB	45.5	44.9
B	45.7	48.4
CCC	1.9	1.5
D	—	0.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	73.1	66.3
Canada	15.9	12.7
Other Countries	8.2	8.0
Cash/Other	2.8	13.0
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	—	—
1 – 5 years	12.2	12.3
5 – 10 years	84.0	82.3
> 10 years	3.8	5.4
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

**Fair value hierarchy (USD000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	110 480	—	110 480
Short-term investments	—	886	—	886
Derivatives – assets	—	487	—	487
Derivatives – liabilities	—	(91)	—	(91)
Total financial instruments	—	111 762	—	111 762
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	14 568	—	—	14 568
Fixed-income				
and debt securities	—	169 503	—	169 503
Short-term investments	—	8 344	—	8 344
Derivatives – assets	—	31	—	31
Derivatives – liabilities	—	(179)	—	(179)
Total financial instruments	14 568	177 699	—	192 267
% of total portfolio	7.6	92.4	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.05%
Advisor Series	1.25%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services



December 31, 2018

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	130	123
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital High Yield Bond SPDR Fund	–	–	3.7	0.1
iShares iBoxx \$ High Yield Corporate Bond Fund	–	–	3.8	–

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

	2018	2017
For the periods ended December 31 (see note 2 in the generic notes)		
Series A		
Opening units	485	323
Issued number of units	88	270
Reinvested number of units	23	14
Redeemed number of units	(171)	(122)
Ending number of units	425	485

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	32	25
Issued number of units	(1)	51
Reinvested number of units	1	1
Redeemed number of units	(22)	(45)
Ending number of units	10	32
Series D		
Opening units	224	126
Issued number of units	40	157
Reinvested number of units	10	7
Redeemed number of units	(103)	(66)
Ending number of units	171	224
Series F		
Opening units	358	293
Issued number of units	27	118
Reinvested number of units	14	10
Redeemed number of units	(116)	(63)
Ending number of units	283	358
Series O		
Opening units	19 008	9 550
Issued number of units	3 233	13 544
Reinvested number of units	575	455
Redeemed number of units	(10 792)	(4 541)
Ending number of units	12 024	19 008

Transaction costs (USD000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	5	100	1	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (USD000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	17 979	44 653
Fair value of collateral received	18 338	45 546

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	112	100	102	100
RBC IS (paid)	(28)	(25)	(27)	(26)
Tax withheld	(20)	(18)	(10)	(10)
Fund revenue	64	57	65	64

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC \$U.S. Strategic Income Bond Fund	4.1	–
RBC U.S. Monthly Income Fund	29.3	17.6
Total	33.4	17.6

**Offsetting financial assets and liabilities (USD000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	487	(91)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	487	(91)
Related amounts not set-off	(90)	90
Collateral (received) pledged	–	–
Net amount	397	(1)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	31	(179)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	31	(179)
Related amounts not set-off	(20)	20
Collateral (received) pledged	–	–
Net amount	11	(159)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL HIGH YIELD BOND FUND

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS						
314 850	Bloomberg Barclays Capital High Yield Bond SPDR Fund			\$ 14 355	\$ 14 457	
11 005 774	BlueBay Emerging Markets Corporate Bond Fund*			117 678	113 896	
134 000	iShares iBoxx \$ High Yield Corporate Bond Fund			14 739	14 863	
550 000	VanEck Vectors J.P. Morgan EM Local Currency Bond Fund			25 187	24 778	
TOTAL UNDERLYING FUNDS				171 959	167 994	4.7
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Angola						
4 070	Republic of Angola USD	9.500	12-Nov-2025	\$ 5 926	\$ 5 878	
5 425	Republic of Angola USD	8.250	09-May-2028	7 225	7 021	
2 100	Republic of Angola USD	9.375	08-May-2048	2 759	2 696	
				15 910	15 595	0.4
Argentina						
5 800	Province of Santa Fe USD	6.900	01-Nov-2027	7 531	5 898	
5 575	Provincia de Buenos Aires USD	10.875	26-Jan-2021	7 640	7 531	
4 775	Provincia de Cordoba USD	7.125	10-Jun-2021	6 483	5 686	
6 775	Provincia de Mendoza Argentina USD	8.375	19-May-2024	8 742	7 446	
7 925	Republic of Argentina USD	5.875	11-Jan-2028	8 776	7 844	
19 150	Republic of Argentina USD	7.625	22-Apr-2046	23 849	19 053	
				63 021	53 458	1.5
Armenia						
4 990	Republic of Armenia USD	6.000	30-Sep-2020	6 524	6 901	
5 220	Republic of Armenia USD	7.150	26-Mar-2025	7 213	7 518	
				13 737	14 419	0.4
Australia						
12 525	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	16 832	15 795	
				16 832	15 795	0.4
Azerbaijan						
13 845	Republic of Azerbaijan USD	4.750	18-Mar-2024	17 977	18 894	
8 000	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	9 970	10 913	
				27 947	29 807	0.8
Bahamas						
15 335	Bahamas Government USD	5.750	16-Jan-2024	20 609	21 306	
				20 609	21 306	0.6
Bahrain						
9 550	Bahrain Government USD	7.000	12-Oct-2028	11 730	13 095	
				11 730	13 095	0.4
Barbados						
843	Barbados Government USD	7.250	15-Dec-2021	1 009	652	
				1 009	652	—
Bolivia						
2 729	Bolivian Government USD	5.950	22-Aug-2023	3 731	3 708	
				3 731	3 708	0.1
Brazil						
10 225	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	14 340	14 593	
2 850	Republic of Brazil USD	4.625	13-Jan-2028	3 475	3 757	
9 775	Republic of Brazil USD	5.625	07-Jan-2041	11 968	12 871	
				29 783	31 221	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Canada						
11 670	Baytex Energy Corp. USD	5.125	01-Jun-2021	\$ 12 448	\$ 15 334	
8 365	Baytex Energy Corp. USD	5.625	01-Jun-2024	7 936	9 935	
11 225	Enbridge Inc. USD	5.500	15-Jul-2077	12 937	13 029	
4 620	Gibson Energy Inc.	5.375	15-Jul-2022	4 603	4 624	
15 200	Gibson Energy Inc.	5.250	15-Jul-2024	15 250	14 792	
3 800	Mattamy Group Corp. USD	6.875	15-Dec-2023	4 871	4 870	
4 000	Mattamy Group Corp.	6.500	01-Oct-2025	4 063	3 781	
7 200	Mattamy Group Corp. USD	6.500	01-Oct-2025	9 014	8 845	
7 000	New Gold Inc. USD	6.250	15-Nov-2022	8 828	8 074	
6 950	New Gold Inc. USD	6.375	15-May-2025	9 601	7 257	
7 725	Parkland Fuel Corp.	5.750	16-Sep-2024	7 840	7 576	
12 050	Parkland Fuel Corp.	5.625	09-May-2025	12 113	11 487	
3 450	Precision Drilling Corp. USD	7.750	15-Dec-2023	4 646	4 362	
5 000	Precision Drilling Corp. USD	5.250	15-Nov-2024	5 432	5 699	
6 390	Precision Drilling Corp. USD	7.125	15-Jan-2026	8 115	7 545	
16 450	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	20 608	20 184	
10 000	Superior Plus Corp. USD	7.000	15-Jul-2026	13 287	13 242	
17 850	Superior Plus LP	5.250	27-Feb-2024	18 168	16 822	
5 100	Superior Plus LP	5.125	27-Aug-2025	5 126	4 671	
11 000	Vermilion Energy Inc. USD	5.625	15-Mar-2025	14 684	14 154	
19 140	Videotron Ltd.	5.625	15-Jun-2025	19 761	19 451	
10 860	Videotron Ltd.	5.750	15-Jan-2026	10 964	11 031	
3 000	Videotron Ltd. USD	5.125	15-Apr-2027	3 782	3 881	
				234 077	230 646	6.5
Chile						
19 200	Republic of Chile USD	3.860	21-Jun-2047	24 429	24 565	
				24 429	24 565	0.7
China						
4 725	Sinochem Overseas Capital Co. Ltd. USD	4.500	12-Nov-2020	5 546	6 550	
900	Sinopec Group Overseas Development 2012 Ltd. USD	3.900	17-May-2022	1 240	1 239	
7 950	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	10 940	11 473	
10 320	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	13 579	14 371	
8 925	The Export-Import Bank of China USD	3.625	31-Jul-2024	11 881	12 198	
				43 186	45 831	1.3
Colombia						
13 475	Republic of Colombia USD	8.125	21-May-2024	21 084	21 597	
5 325	Republic of Colombia USD	3.875	25-Apr-2027	6 623	6 966	
20 705	Republic of Colombia USD	6.125	18-Jan-2041	30 018	30 696	
				57 725	59 259	1.7
Costa Rica						
10 585	Banco Nacional de Costa Rica USD	6.250	01-Nov-2023	14 754	13 665	
2 900	Costa Rica Government USD	7.000	04-Apr-2044	3 795	3 369	
				18 549	17 034	0.5
Croatia						
3 450	Croatia Government USD	6.750	05-Nov-2019	4 562	4 836	
10 725	Croatia Government USD	5.500	04-Apr-2023	15 143	15 404	
2 860	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	4 020	4 073	
				23 725	24 313	0.7
Dominican Republic						
15 600	Dominican Republic USD	5.875	18-Apr-2024	21 145	21 594	
21 175	Dominican Republic USD	7.450	30-Apr-2044	28 986	30 198	
				50 131	51 792	1.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ecuador						
8 400	Government of Ecuador USD	10.750	28-Mar-2022	\$ 12 034	\$ 11 615	
15 339	Government of Ecuador USD	7.950	20-Jun-2024	19 038	18 560	
12 520	Government of Ecuador USD	7.875	23-Jan-2028	14 454	13 971	
				45 526	44 146	1.2
Egypt						
7 880	Arab Republic of Egypt USD	6.125	31-Jan-2022	10 401	10 584	
7 725	Arab Republic of Egypt USD	5.875	11-Jun-2025	9 721	9 621	
3 425	Arab Republic of Egypt EUR	4.750	16-Apr-2026	4 760	4 867	
12 200	Arab Republic of Egypt USD	7.500	31-Jan-2027	16 852	15 967	
7 375	Arab Republic of Egypt USD	8.500	31-Jan-2047	9 489	9 130	
				51 223	50 169	1.4
El Salvador						
14 975	Republic of El Salvador USD	7.650	15-Jun-2035	18 852	19 459	
				18 852	19 459	0.5
Ethiopia						
1 550	Government of Ethiopia USD	6.625	11-Dec-2024	1 998	2 034	
				1 998	2 034	0.1
Gabon						
3 210	Gabonese Republic USD	6.375	12-Dec-2024	3 894	3 944	
				3 894	3 944	0.1
Georgia						
4 700	Georgia Government USD	6.875	12-Apr-2021	6 602	6 757	
5 375	Georgian Railway JSC USD	7.750	11-Jul-2022	7 722	7 611	
				14 324	14 368	0.4
Ghana						
7 455	Republic of Ghana USD	7.875	07-Aug-2023	9 964	10 005	
				9 964	10 005	0.3
Guatemala						
1 780	Republic of Guatemala USD	5.750	06-Jun-2022	2 370	2 522	
10 968	Republic of Guatemala USD	4.500	03-May-2026	14 282	14 094	
				16 652	16 616	0.5
Honduras						
8 840	Honduras Government USD	6.250	19-Jan-2027	12 023	11 950	
				12 023	11 950	0.3
Hungary						
16 250	Hungary Government USD	5.375	25-Mar-2024	23 067	23 829	
3 250	Hungary Government USD	7.625	29-Mar-2041	5 913	6 247	
				28 980	30 076	0.8
India						
10 175	Export-Import Bank of India USD	3.375	05-Aug-2026	12 640	12 794	
5 350	Export-Import Bank of India USD	3.875	01-Feb-2028	6 586	6 863	
2 785	NTPC Ltd. USD	5.625	14-Jul-2021	3 686	3 960	
				22 912	23 617	0.7
Indonesia						
2 110	Government of Indonesia USD	4.875	05-May-2021	2 749	2 950	
11 125	Government of Indonesia USD	4.125	15-Jan-2025	14 967	14 993	
13 410	Government of Indonesia USD	5.250	17-Jan-2042	18 285	18 480	
7 175	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	8 997	8 755	
11 685	Pertamina Persero PT USD	5.625	20-May-2043	14 166	15 147	
9 325	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	12 833	12 752	
11 995	Perusahaan Listrik Negara PT USD	5.500	22-Nov-2021	14 434	16 928	
				86 431	90 005	2.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Ireland						
4 000	Ardagh Packaging Finance Plc. USD	4.625	15-May-2023	\$ 5 196	\$ 5 187	
5 000	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	6 457	6 835	
				11 653	12 022	0.3
Ivory Coast						
11 003	Ivory Coast Government USD	5.750	31-Dec-2032	13 068	13 299	
				13 068	13 299	0.4
Jamaica						
5 535	Jamaica Government USD	7.625	09-Jul-2025	8 568	8 514	
6 505	Jamaica Government USD	6.750	28-Apr-2028	9 398	9 515	
5 725	Jamaica Government USD	7.875	28-Jul-2045	8 812	8 937	
				26 778	26 966	0.8
Jordan						
14 070	Jordan Government USD	6.125	29-Jan-2026	18 355	18 482	
				18 355	18 482	0.5
Kazakhstan						
12 220	Government of Kazakhstan USD	5.125	21-Jul-2025	16 790	17 684	
16 135	Government of Kazakhstan USD	4.875	14-Oct-2044	20 290	22 015	
5 225	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	6 824	6 961	
				43 904	46 660	1.3
Kenya						
4 700	Kenya Government USD	6.875	24-Jun-2024	6 151	6 053	
4 150	Kenya Government USD	7.250	28-Feb-2028	5 335	5 084	
				11 486	11 137	0.3
Lebanon						
3 950	Lebanon Government USD	5.450	28-Nov-2019	4 905	5 211	
				4 905	5 211	0.1
Luxembourg						
5 000	Altice Financing S.A. USD	6.625	15-Feb-2023	6 472	6 570	
21 000	ArcelorMittal USD	8.000	15-Oct-2039	29 346	30 293	
4 000	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	5 297	5 120	
12 000	INEOS Group Holdings S.A. USD	5.625	01-Aug-2024	15 715	14 567	
5 000	Intelsat Jackson Holdings S.A. USD	8.000	15-Feb-2024	6 621	7 048	
				63 451	63 598	1.8
Malaysia						
17 351	1MDB Energy Ltd. USD	5.990	11-May-2022	24 432	24 024	
7 545	Petronas Capital Ltd. USD	3.500	18-Mar-2025	10 103	10 148	
1 900	Petronas Capital Ltd. USD	4.500	18-Mar-2045	2 442	2 611	
				36 977	36 783	1.0
Mexico						
6 900	Banco Nacional de Comercio Exterior SNC USD	3.800	11-Aug-2026	8 779	9 020	
5 025	Cemex S.A.B. de C.V. USD	5.700	11-Jan-2025	6 926	6 594	
2 875	Comision Federal de Electricidad USD	4.875	26-May-2021	3 690	3 964	
4 400	Mexico City Airport Trust USD	5.500	31-Jul-2047	5 127	5 309	
21 845	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	27 875	26 184	
10 975	Petroleos Mexicanos USD	5.375	13-Mar-2022	14 989	14 751	
14 632	United Mexican States USD	5.750	12-Oct-2110	18 550	18 858	
				85 936	84 680	2.4
Mongolia						
10 480	Mongolia Government USD	5.125	05-Dec-2022	12 700	13 468	
				12 700	13 468	0.4
Morocco						
6 750	OCP S.A. USD	5.625	25-Apr-2024	8 890	9 465	
6 410	OCP S.A. USD	6.875	25-Apr-2044	8 929	9 126	
				17 819	18 591	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
New Zealand						
12 000	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	\$ 15 510	\$ 15 625	
				15 510	15 625	0.4
Nigeria						
1 775	Nigeria Government USD	6.375	12-Jul-2023	2 369	2 333	
13 325	Nigeria Government USD	7.875	16-Feb-2032	18 268	16 606	
2 550	Nigeria Government USD	7.625	28-Nov-2047	2 943	2 944	
				23 580	21 883	0.6
Oman						
12 400	Oman Government USD	4.750	15-Jun-2026	15 962	14 698	
5 425	Oman Government USD	6.500	08-Mar-2047	6 961	6 005	
				22 923	20 703	0.6
Pakistan						
3 150	Pakistan Government USD	8.250	15-Apr-2024	4 316	4 362	
5 650	The Third Pakistan International Sukuk Co. Ltd. USD	5.625	05-Dec-2022	6 903	7 317	
				11 219	11 679	0.3
Panama						
12 380	Republic of Panama USD	7.125	29-Jan-2026	18 285	19 958	
12 773	Republic of Panama USD	6.700	26-Jan-2036	19 906	21 361	
				38 191	41 319	1.2
Paraguay						
10 425	Republic of Paraguay USD	4.625	25-Jan-2023	13 893	14 360	
11 550	Republic of Paraguay USD	6.100	11-Aug-2044	15 751	16 383	
				29 644	30 743	0.9
Peru						
10 410	Corp Financiera de Desarrollo S.A. USD	4.750	08-Feb-2022	14 251	14 407	
27 935	Peruvian Government USD	8.750	21-Nov-2033	56 024	56 483	
				70 275	70 890	2.0
Philippines						
15 431	Republic of Philippines USD	7.750	14-Jan-2031	26 661	28 450	
2 150	Republic of Philippines USD	3.700	01-Mar-2041	2 539	2 792	
				29 200	31 242	0.9
Poland						
18 570	Government of Poland USD	3.250	06-Apr-2026	24 731	24 932	
				24 731	24 932	0.7
Qatar						
8 150	State of Qatar USD	2.375	02-Jun-2021	10 397	10 890	
15 260	State of Qatar USD	6.400	20-Jan-2040	24 842	26 158	
				35 239	37 048	1.0
Romania						
9 695	Romanian Government USD	6.750	07-Feb-2022	13 912	14 264	
5 955	Romanian Government USD	6.125	22-Jan-2044	9 365	9 076	
				23 277	23 340	0.7
Russia						
3 575	Gazprom PAO USD	4.950	19-Jul-2022	4 650	4 933	
11 625	Gazprom PAO USD	7.288	16-Aug-2037	17 242	17 744	
15 700	Russian Foreign Bond - Eurobond USD	4.875	16-Sep-2023	20 050	21 897	
16 254	Russian Foreign Bond - Eurobond USD	4.750	27-May-2026	21 931	22 060	
				63 873	66 634	1.9
Rwanda						
15 325	Rwanda International Government USD	6.625	02-May-2023	19 207	20 855	
				19 207	20 855	0.6
Saudi Arabia						
16 930	Saudi Government USD	4.500	17-Apr-2030	22 218	23 077	
				22 218	23 077	0.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Senegal						
3 740	Senegal Government USD	6.250	30-Jul-2024	\$ 5 091	\$ 4 986	
2 725	Senegal Government USD	6.750	13-Mar-2048	3 189	3 102	
				8 280	8 088	0.2
Serbia						
22 195	Republic of Serbia USD	7.250	28-Sep-2021	32 954	32 694	
				32 954	32 694	0.9
South Africa						
3 845	Eskom Holdings Ltd. USD	5.750	26-Jan-2021	4 722	4 962	
4 210	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	5 498	5 260	
13 900	Republic of South Africa USD	4.665	17-Jan-2024	17 986	18 607	
4 550	Republic of South Africa USD	4.850	27-Sep-2027	5 639	5 813	
14 660	Republic of South Africa USD	6.250	08-Mar-2041	20 736	19 527	
2 500	Republic of South Africa USD	5.650	27-Sep-2047	2 905	3 053	
11 450	Transnet SOC Ltd. USD	4.000	26-Jul-2022	14 544	14 681	
				72 030	71 903	2.0
Sri Lanka						
12 410	Sri Lanka Government USD	6.250	04-Oct-2020	16 159	16 547	
5 465	Sri Lanka Government USD	5.875	25-Jul-2022	7 674	7 022	
7 935	Sri Lanka Government USD	6.825	18-Jul-2026	10 231	10 078	
				34 064	33 647	0.9
Turkey						
20 535	Export Credit Bank of Turkey USD	5.375	08-Feb-2021	26 892	27 169	
7 575	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	9 160	9 459	
2 300	Republic of Turkey USD	7.375	05-Feb-2025	3 357	3 253	
3 600	Republic of Turkey USD	6.000	25-Mar-2027	4 231	4 650	
28 955	Republic of Turkey USD	4.875	16-Apr-2043	30 886	29 498	
				74 526	74 029	2.1
Ukraine						
13 205	JSC Ukreximbank USD	9.625	27-Apr-2022	17 586	17 702	
18 325	Ukraine Government USD	7.750	01-Sep-2022	24 367	23 065	
7 100	Ukraine Government USD	7.750	01-Sep-2024	8 655	8 562	
2 600	Ukraine Government USD	7.375	25-Sep-2032	2 845	2 838	
				53 453	52 167	1.5
United Arab Emirates						
5 160	Emirate of Dubai USD	7.750	05-Oct-2020	6 664	7 576	
11 931	Emirate of Dubai USD	5.250	30-Jan-2043	15 072	16 305	
				21 736	23 881	0.7
United Kingdom						
9 550	Ashtead Capital Inc. USD	5.625	01-Oct-2024	12 432	13 217	
3 465	Ashtead Capital Inc. USD	5.250	01-Aug-2026	4 584	4 589	
6 985	Ashtead Capital Inc. USD	4.375	15-Aug-2027	8 783	8 630	
				25 799	26 436	0.7
United States						
19 000	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	24 439	19 973	
15 185	Alcoa Nederland Holding BV	6.750	30-Sep-2024	20 658	21 145	
1 545	Alcoa Nederland Holding BV	7.000	30-Sep-2026	2 135	2 162	
5 825	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	10 417	9 480	
8 350	AMC Entertainment Holdings Inc.	5.875	15-Nov-2026	10 040	9 804	
3 650	AMC Entertainment Holdings Inc.	6.125	15-May-2027	4 443	4 285	
4 100	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	5 092	5 115	
17 400	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	22 274	21 349	
15 350	Avis Budget Car Rental LLC	5.250	15-Mar-2025	18 764	18 205	
13 000	Ball Corp.	4.875	15-Mar-2026	16 585	17 348	
15 000	Berry Global Inc.	4.500	15-Feb-2026	18 336	18 789	
13 500	Blue Racer Midstream LLC	6.625	15-Jul-2026	17 802	17 232	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
5 000	Boyd Gaming Corp.	6.375	01-Apr-2026	\$ 6 734	\$ 6 630	
7 000	Boyd Gaming Corp.	6.000	15-Aug-2026	9 131	8 971	
15 000	Builders FirstSource Inc.	5.625	01-Sep-2024	19 633	19 070	
7 070	Calpine Corp.	5.250	01-Jun-2026	9 093	8 844	
25 500	CCO Holdings LLC	5.750	15-Feb-2026	33 592	34 203	
2 500	CCO Holdings LLC	5.125	01-May-2027	3 091	3 187	
3 150	CDW LLC	5.000	01-Sep-2023	3 940	4 247	
2 850	CDW LLC	5.000	01-Sep-2025	3 902	3 740	
15 000	Cedar Fair LP	5.375	15-Apr-2027	20 119	19 429	
10 000	CenturyLink Inc.	7.500	01-Apr-2024	12 885	13 208	
15 000	Cinemark USA Inc.	4.875	01-Jun-2023	18 166	19 710	
4 550	CIT Group Inc.	5.000	01-Aug-2023	5 120	6 103	
6 500	CIT Group Inc.	5.250	07-Mar-2025	8 548	8 696	
10 000	Consol Energy Inc.	5.875	15-Apr-2022	10 467	13 140	
20 500	CSC Holdings LLC	5.500	15-Apr-2027	27 673	26 098	
11 500	Dana Inc.	5.500	15-Dec-2024	14 190	14 679	
9 000	Diamond 1 Finance Corp.	6.020	15-Jun-2026	11 843	12 360	
8 725	Diamond 1 Finance Corp.	8.100	15-Jul-2036	12 813	12 977	
5 500	DISH DBS Corp.	5.875	15-Nov-2024	6 288	6 073	
5 000	Equinix Inc.	5.375	01-Jan-2022	5 878	6 894	
4 500	Equinix Inc.	5.875	15-Jan-2026	6 074	6 205	
8 000	Frontier Communications Corp.	7.125	15-Jan-2023	8 721	6 225	
2 750	Frontier Communications Corp.	11.000	15-Sep-2025	3 680	2 356	
15 000	Hanesbrands Inc.	4.875	15-May-2026	19 417	18 558	
19 850	HCA Inc.	5.875	15-Feb-2026	26 812	27 031	
13 550	HCA Inc.	4.500	15-Feb-2027	16 631	17 527	
15 000	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	18 902	19 710	
11 000	Ingles Markets Inc.	5.750	15-Jun-2023	12 744	14 905	
8 000	International Game Technology Plc.	6.250	15-Feb-2022	9 923	11 004	
1 000	International Game Technology Plc.	6.500	15-Feb-2025	1 455	1 352	
12 000	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	15 351	15 809	
6 125	Lennar Corp.	4.750	30-May-2025	7 470	7 871	
23 950	Lennar Corp.	5.250	01-Jun-2026	31 084	30 939	
3 750	MGM Resorts International	6.000	15-Mar-2023	4 248	5 158	
11 650	Mobile Mini Inc.	5.875	01-Jul-2024	15 308	15 626	
10 950	Murphy Oil Corp.	5.750	15-Aug-2025	14 004	14 007	
8 000	NCR Corp.	5.000	15-Jul-2022	8 671	10 348	
11 000	New Albertson's Inc.	6.625	15-Jun-2024	14 201	14 004	
9 100	NRG Energy Inc.	6.250	01-May-2024	10 434	12 656	
2 000	Owens-Brockway Glass Container Inc.	5.875	15-Aug-2023	2 684	2 747	
8 050	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	11 333	10 935	
8 440	Parsley Energy LLC	6.250	01-Jun-2024	11 429	11 205	
1 560	Parsley Energy LLC	5.375	15-Jan-2025	2 027	1 970	
5 000	Parsley Energy LLC	5.625	15-Oct-2027	6 331	6 237	
17 000	Post Holdings Inc.	5.750	01-Mar-2027	21 266	21 874	
3 270	PulteGroup Inc.	5.500	01-Mar-2026	4 216	4 314	
11 730	PulteGroup Inc.	5.000	15-Jan-2027	14 419	14 553	
4 850	Qwest Corp.	6.750	01-Dec-2021	5 453	6 786	
16 000	Rite Aid Corp.	6.125	01-Apr-2023	20 151	17 338	
11 500	SemGroup Corp.	6.375	15-Mar-2025	14 875	14 562	
1 600	SemGroup Corp.	7.250	15-Mar-2026	1 943	2 053	
15 000	Six Flags Entertainment Corp.	5.500	15-Apr-2027	19 757	19 352	
1 860	SM Energy Co.	5.625	01-Jun-2025	2 127	2 222	
11 740	SM Energy Co.	6.750	15-Sep-2026	15 577	14 425	
6 175	Sonic Automotive Inc.	5.000	15-May-2023	6 656	7 692	
5 825	Sonic Automotive Inc.	6.125	15-Mar-2027	7 531	6 998	
25 650	Sprint Capital Corp.	6.875	15-Nov-2028	28 447	33 179	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
5 000	Sprint Corp.	7.875	15-Sep-2023	\$ 6 047	\$ 7 022	
5 350	Sprint Nextel Corp.	6.000	15-Nov-2022	5 603	7 186	
5 000	T-Mobile USA Inc.	6.500	15-Jan-2026	6 788	6 980	
11 250	T-Mobile USA Inc.	4.750	01-Feb-2028	14 018	13 957	
4 000	Targa Resources Partners LP	5.875	15-Apr-2026	5 113	5 338	
3 700	Targa Resources Partners LP	5.375	01-Feb-2027	4 539	4 761	
11 400	Targa Resources Partners LP	5.000	15-Jan-2028	14 512	14 124	
5 500	Tempur Sealy International Inc.	5.625	15-Oct-2023	7 338	7 265	
11 000	Tempur Sealy International Inc.	5.500	15-Jun-2026	14 179	13 778	
13 000	Tenet Healthcare Corp.	4.625	15-Jul-2024	16 326	16 572	
8 840	The AES Corp.	4.500	15-Mar-2023	11 358	11 812	
3 000	The AES Corp.	4.875	15-May-2023	3 912	4 014	
2 830	The EW Scripps Co.	5.125	15-May-2025	3 831	3 554	
17 500	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	22 449	21 591	
3 635	Toll Brothers Finance Corp.	4.875	15-Nov-2025	4 919	4 659	
3 000	Toll Brothers Finance Corp.	4.875	15-Mar-2027	3 773	3 727	
13 365	Toll Brothers Finance Corp.	4.350	15-Feb-2028	15 737	15 691	
12 900	Unit Corp.	6.625	15-May-2021	14 842	16 114	
2 000	United Rentals North America Inc.	5.500	15-Jul-2025	2 557	2 580	
12 075	United Rentals North America Inc.	5.875	15-Sep-2026	15 878	15 599	
44 500	United States Treasury	2.250	15-Feb-2027	54 597	59 019	
7 140	Universal Health Services Inc.	4.750	01-Aug-2022	9 015	9 723	
9 255	Universal Health Services Inc.	5.000	01-Jun-2026	12 125	12 319	
5 700	Valvoline Inc.	5.500	15-Jul-2024	7 654	7 626	
4 800	Valvoline Inc.	4.375	15-Aug-2025	6 063	6 037	
12 460	Vistra Operations Co. LLC	5.500	01-Sep-2026	16 279	16 436	
20 000	Western Digital Corp.	4.750	15-Feb-2026	24 835	23 789	
1 225	WPX Energy Inc.	6.000	15-Jan-2022	1 614	1 635	
2 350	WPX Energy Inc.	8.250	01-Aug-2023	2 531	3 369	
9 000	WPX Energy Inc.	5.250	15-Sep-2024	9 668	11 181	
10 000	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	13 826	12 031	
				1 207 369	1 222 368	34.4
Uruguay						
9 200	Republic of Uruguay USD	4.500	14-Aug-2024	11 889	12 871	
12 375	Republic of Uruguay USD	7.625	21-Mar-2036	20 678	22 112	
7 625	Republic of Uruguay USD	5.100	18-Jun-2050	10 121	10 266	
				42 688	45 249	1.3
Venezuela						
8 450	Petroleos de Venezuela S.A. USD	6.000	15-Nov-2026	2 711	1 745	
15 495	Republic of Venezuela USD	7.650	21-Apr-2025	8 789	4 918	
37 055	Republic of Venezuela USD	7.000	31-Mar-2038	19 524	11 635	
				31 024	18 298	0.5
Vietnam						
20 800	Republic of Vietnam USD	4.800	19-Nov-2024	26 712	28 721	
				26 712	28 721	0.8
Zambia						
7 450	Zambia Government USD	8.970	30-Jul-2027	8 206	7 659	
				8 206	7 659	0.2
TOTAL BONDS				3 383 870	3 404 892	95.6
SHORT-TERM INVESTMENTS†				58 819	58 819	1.7
TOTAL INVESTMENTS				3 614 648	3 631 705	102.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	16 043	0.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(141 898)	(4.0)
TOTAL PORTFOLIO				\$ 3 614 648	3 505 850	98.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					51 800	1.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 3 557 650	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 16 496 Sold CAD 21 100 @ 0.7818	07-Jan-2019	\$ 1 416
Bought PHP 402 514 Sold CAD 9 488 @ 42.4250	09-Jan-2019	962
Bought USD 100 Sold CAD 132 @ 0.7580	11-Jan-2019	5
Bought USD 2 010 Sold CAD 2 610 @ 0.7700	14-Jan-2019	133
Bought USD 8 000 Sold CAD 10 902 @ 0.7338	14-Jan-2019	16
Bought USD 15 519 Sold CAD 19 816 @ 0.7832	15-Jan-2019	1 363
Bought BRL 51 453 Sold CAD 16 844 @ 3.0547	16-Jan-2019	1 258
Bought BRL 49 795 Sold CAD 16 316 @ 3.0520	16-Jan-2019	1 203
Bought CAD 10 346 Sold BRL 29 396 @ 0.3520	16-Jan-2019	5
Bought CAD 258 Sold USD 189 @ 1.3633	18-Jan-2019	—
Bought USD 416 Sold CAD 542 @ 0.7680	18-Jan-2019	26
Bought USD 150 Sold CAD 198 @ 0.7581	18-Jan-2019	7
Bought USD 6 100 Sold CAD 7 972 @ 0.7652	23-Jan-2019	351
Bought USD 2 035 Sold CAD 2 656 @ 0.7661	23-Jan-2019	120
Bought USD 25 400 Sold CAD 33 218 @ 0.7646	23-Jan-2019	1 437
Bought USD 4 942 Sold CAD 6 525 @ 0.7574	23-Jan-2019	218
Bought USD 195 Sold CAD 256 @ 0.7623	23-Jan-2019	10
Bought USD 3 755 Sold CAD 4 957 @ 0.7575	23-Jan-2019	166
Bought USD 642 Sold CAD 848 @ 0.7567	23-Jan-2019	27
Bought USD 2 000 Sold CAD 2 684 @ 0.7451	23-Jan-2019	45
Bought USD 1 500 Sold CAD 1 962 @ 0.7646	24-Jan-2019	85
Bought USD 7 655 Sold CAD 9 992 @ 0.7661	24-Jan-2019	452
Bought USD 4 500 Sold CAD 5 933 @ 0.7585	24-Jan-2019	207
Bought USD 5 000 Sold CAD 6 607 @ 0.7568	24-Jan-2019	215
Bought USD 12 165 Sold CAD 16 145 @ 0.7535	24-Jan-2019	452
Bought USD 1 055 Sold CAD 1 398 @ 0.7547	24-Jan-2019	41
Bought USD 192 Sold CAD 257 @ 0.7481	25-Jan-2019	5
Bought USD 1 617 Sold CAD 2 168 @ 0.7457	25-Jan-2019	38
Bought USD 5 000 Sold CAD 6 554 @ 0.7628	28-Jan-2019	267
Bought USD 4 000 Sold CAD 5 330 @ 0.7504	28-Jan-2019	126
Bought USD 1 175 Sold CAD 1 526 @ 0.7701	29-Jan-2019	77
Bought USD 1 494 Sold CAD 1 940 @ 0.7701	29-Jan-2019	98
Bought USD 48 Sold CAD 63 @ 0.7657	29-Jan-2019	3
Bought USD 175 Sold CAD 231 @ 0.7589	29-Jan-2019	8
Bought MXN 278 794 Sold CAD 18 236 @ 15.2885	31-Jan-2019	1 018
Bought USD 6 945 Sold CAD 9 100 @ 0.7632	04-Feb-2019	373
Bought CAD 74 Sold USD 54 @ 1.3632	06-Feb-2019	—
Bought EUR 6 875 Sold CAD 10 596 @ 0.6488	06-Feb-2019	181
Bought USD 151 Sold CAD 197 @ 0.7654	06-Feb-2019	9
Bought USD 2 765 Sold CAD 3 695 @ 0.7483	06-Feb-2019	76
Bought USD 105 Sold CAD 141 @ 0.7431	06-Feb-2019	2
Bought USD 3 483 Sold CAD 4 565 @ 0.7629	07-Feb-2019	185
Bought USD 11 020 Sold CAD 14 449 @ 0.7627	08-Feb-2019	581
Bought SEK 58 738 Sold CAD 8 612 @ 6.8201	11-Feb-2019	456
Bought USD 6 000 Sold CAD 8 134 @ 0.7376	11-Feb-2019	48
Bought USD 1 080 Sold CAD 1 414 @ 0.7640	12-Feb-2019	59
Bought USD 1 195 Sold CAD 1 577 @ 0.7575	12-Feb-2019	52
Bought USD 2 429 Sold CAD 3 199 @ 0.7594	12-Feb-2019	114
Bought USD 14 800 Sold CAD 19 781 @ 0.7482	12-Feb-2019	402

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 6 100 Sold CAD 8 050 @ 0.7578	13-Feb-2019	\$ 269
Bought CAD 8 917 Sold RUB 452 047 @ 0.0197	25-Feb-2019	138
Bought NOK 113 335 Sold CAD 17 505 @ 6.4743	27-Feb-2019	411
Bought USD 18 868 Sold CAD 25 701 @ 0.7341	01-Mar-2019	21
Bought USD 630 Sold CAD 855 @ 0.7364	04-Mar-2019	3
Bought SEK 69 306 Sold CAD 10 387 @ 6.6724	11-Mar-2019	330
Bought USD 1 000 Sold CAD 1 331 @ 0.7512	12-Mar-2019	32
Bought USD 1 080 Sold CAD 1 464 @ 0.7376	12-Mar-2019	8
Bought PLN 24 046 Sold CAD 8 521 @ 2.8219	19-Mar-2019	251
Bought USD 1 084 Sold CAD 1 450 @ 0.7478	19-Mar-2019	28
Bought USD 12 170 Sold CAD 16 434 @ 0.7405	19-Mar-2019	150
Bought USD 5 360 Sold CAD 7 301 @ 0.7342	19-Mar-2019	4
		\$ 16 043

Contracts	Maturity Date	Unrealized Loss
Bought CAD 61 395 Sold USD 47 571 @ 1.2906	04-Jan-2019	\$ (3 547)
Bought CAD 75 041 Sold USD 58 000 @ 1.2938	07-Jan-2019	(4 131)
Bought CAD 312 Sold USD 240 @ 1.2989	07-Jan-2019	(16)
Bought CAD 60 152 Sold USD 46 485 @ 1.2940	08-Jan-2019	(3 300)
Bought CAD 39 076 Sold USD 30 000 @ 1.3025	09-Jan-2019	(1 873)
Bought CAD 9 861 Sold PHP 402 514 @ 0.0245	09-Jan-2019	(590)
Bought CAD 50 802 Sold USD 38 509 @ 1.3192	11-Jan-2019	(1 758)
Bought CAD 4 091 Sold EUR 2 700 @ 1.5150	11-Jan-2019	(135)
Bought CAD 51 966 Sold USD 40 689 @ 1.2771	14-Jan-2019	(3 565)
Bought CAD 1 154 Sold USD 861 @ 1.3402	14-Jan-2019	(21)
Bought CAD 63 010 Sold USD 49 348 @ 1.2769	15-Jan-2019	(4 336)
Bought CAD 39 Sold USD 30 @ 1.3059	15-Jan-2019	(2)
Bought CAD 235 Sold USD 179 @ 1.3106	15-Jan-2019	(10)
Bought CAD 252 Sold USD 193 @ 1.3055	15-Jan-2019	(11)
Bought CAD 285 Sold USD 215 @ 1.3274	15-Jan-2019	(8)
Bought CAD 133 Sold USD 100 @ 1.3254	15-Jan-2019	(4)
Bought CAD 16 913 Sold USD 12 848 @ 1.3164	15-Jan-2019	(621)
Bought CAD 53 Sold USD 40 @ 1.3328	15-Jan-2019	(1)
Bought CAD 44 492 Sold USD 34 320 @ 1.2964	16-Jan-2019	(2 344)
Bought CAD 79 567 Sold USD 61 300 @ 1.2980	16-Jan-2019	(4 088)
Bought CAD 2 009 Sold USD 1 535 @ 1.3086	16-Jan-2019	(86)
Bought CAD 813 Sold EUR 540 @ 1.5054	16-Jan-2019	(32)
Bought CAD 63 430 Sold USD 49 598 @ 1.2789	17-Jan-2019	(4 254)
Bought CAD 75 794 Sold USD 57 930 @ 1.3084	17-Jan-2019	(3 259)
Bought CAD 63 892 Sold USD 49 885 @ 1.2808	18-Jan-2019	(4 181)
Bought CAD 131 Sold USD 100 @ 1.3070	18-Jan-2019	(6)
Bought CAD 52 Sold USD 40 @ 1.3054	18-Jan-2019	(2)
Bought CAD 647 Sold USD 495 @ 1.3079	18-Jan-2019	(28)
Bought CAD 131 Sold USD 99 @ 1.3204	18-Jan-2019	(4)
Bought CAD 66 Sold USD 50 @ 1.3202	18-Jan-2019	(2)
Bought CAD 6 907 Sold USD 5 105 @ 1.3531	18-Jan-2019	(59)
Bought CAD 38 762 Sold USD 30 000 @ 1.2921	22-Jan-2019	(2 171)
Bought CAD 56 532 Sold USD 43 433 @ 1.3016	22-Jan-2019	(2 729)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 25 738 Sold USD 19 965 @ 1.2891	23-Jan-2019	\$ (1 502)
Bought CAD 27 084 Sold USD 20 747 @ 1.3054	24-Jan-2019	(1 222)
Bought CAD 81 038 Sold USD 62 673 @ 1.2930	25-Jan-2019	(4 467)
Bought CAD 7 542 Sold USD 5 810 @ 1.2981	25-Jan-2019	(385)
Bought CAD 2 816 Sold EUR 1 874 @ 1.5025	25-Jan-2019	(120)
Bought CAD 3 980 Sold USD 3 000 @ 1.3265	25-Jan-2019	(113)
Bought CAD 31 735 Sold USD 24 610 @ 1.2895	28-Jan-2019	(1 838)
Bought CAD 1 884 Sold GBP 1 099 @ 1.7143	28-Jan-2019	(30)
Bought CAD 69 554 Sold USD 53 225 @ 1.3068	28-Jan-2019	(3 055)
Bought CAD 61 569 Sold USD 47 423 @ 1.2983	29-Jan-2019	(3 123)
Bought CAD 44 393 Sold USD 33 948 @ 1.3077	29-Jan-2019	(1 917)
Bought CAD 86 Sold USD 65 @ 1.3203	29-Jan-2019	(3)
Bought CAD 11 080 Sold USD 8 193 @ 1.3524	29-Jan-2019	(96)
Bought CAD 69 977 Sold USD 54 064 @ 1.2943	30-Jan-2019	(3 772)
Bought CAD 65 199 Sold USD 50 579 @ 1.2891	31-Jan-2019	(3 794)
Bought CAD 71 744 Sold USD 54 866 @ 1.3076	31-Jan-2019	(3 096)
Bought CAD 18 542 Sold MXN 278 794 @ 0.0665	31-Jan-2019	(712)
Bought CAD 66 410 Sold USD 50 889 @ 1.3050	01-Feb-2019	(3 004)
Bought CAD 16 145 Sold USD 12 263 @ 1.3165	01-Feb-2019	(582)
Bought CAD 59 551 Sold USD 45 614 @ 1.3055	04-Feb-2019	(2 664)
Bought CAD 100 034 Sold USD 76 315 @ 1.3108	04-Feb-2019	(4 055)
Bought CAD 4 088 Sold USD 3 000 @ 1.3626	04-Feb-2019	(4)
Bought CAD 87 663 Sold USD 66 929 @ 1.3098	05-Feb-2019	(3 622)
Bought CAD 44 416 Sold USD 33 238 @ 1.3363	06-Feb-2019	(917)
Bought CAD 33 644 Sold USD 25 674 @ 1.3104	07-Feb-2019	(1 372)
Bought CAD 64 600 Sold USD 49 173 @ 1.3137	08-Feb-2019	(2 464)
Bought CAD 2 120 Sold EUR 1 409 @ 1.5047	08-Feb-2019	(89)
Bought CAD 48 186 Sold USD 36 881 @ 1.3065	11-Feb-2019	(2 111)
Bought CAD 26 668 Sold USD 20 000 @ 1.3334	11-Feb-2019	(607)
Bought CAD 8 863 Sold SEK 58 738 @ 0.1509	11-Feb-2019	(206)
Bought CAD 24 865 Sold USD 18 997 @ 1.3089	12-Feb-2019	(1 042)
Bought CAD 71 156 Sold USD 53 679 @ 1.3256	12-Feb-2019	(2 047)
Bought CAD 10 758 Sold USD 8 100 @ 1.3281	12-Feb-2019	(289)
Bought CAD 2 634 Sold USD 2 000 @ 1.3168	12-Feb-2019	(94)
Bought CAD 180 Sold USD 135 @ 1.3365	12-Feb-2019	(4)
Bought CAD 54 638 Sold USD 41 785 @ 1.3076	13-Feb-2019	(2 343)
Bought CAD 48 258 Sold USD 36 877 @ 1.3086	14-Feb-2019	(2 029)
Bought CAD 14 926 Sold USD 11 205 @ 1.3321	14-Feb-2019	(354)
Bought CAD 45 749 Sold USD 34 602 @ 1.3222	19-Feb-2019	(1 431)
Bought CAD 29 789 Sold USD 22 300 @ 1.3358	19-Feb-2019	(617)
Bought CAD 49 593 Sold USD 37 118 @ 1.3361	19-Feb-2019	(1 019)
Bought CAD 51 237 Sold USD 39 031 @ 1.3127	21-Feb-2019	(1 980)
Bought CAD 59 776 Sold USD 45 440 @ 1.3155	22-Feb-2019	(2 178)
Bought CAD 37 309 Sold USD 28 381 @ 1.3146	25-Feb-2019	(1 384)
Bought CAD 39 530 Sold USD 30 032 @ 1.3163	25-Feb-2019	(1 414)
Bought CAD 5 750 Sold USD 4 300 @ 1.3373	25-Feb-2019	(112)
Bought RUB 452 047 Sold CAD 8 951 @ 50.5000	25-Feb-2019	(173)
Bought CAD 46 447 Sold USD 35 047 @ 1.3253	26-Feb-2019	(1 334)
Bought CAD 35 204 Sold USD 26 674 @ 1.3198	27-Feb-2019	(1 161)
Bought CAD 4 677 Sold USD 3 526 @ 1.3265	28-Feb-2019	(130)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 14 083 Sold USD 10 652 @ 1.3221	01-Mar-2019	\$ (438)
Bought CAD 4 871 Sold GBP 2 874 @ 1.6948	01-Mar-2019	(137)
Bought CAD 24 386 Sold USD 18 500 @ 1.3181	01-Mar-2019	(834)
Bought CAD 7 281 Sold USD 5 485 @ 1.3275	04-Mar-2019	(196)
Bought CAD 1 664 Sold USD 1 255 @ 1.3260	04-Mar-2019	(47)
Bought CAD 6 672 Sold USD 5 000 @ 1.3345	04-Mar-2019	(143)
Bought CAD 34 345 Sold USD 25 729 @ 1.3349	05-Mar-2019	(727)
Bought CAD 44 121 Sold USD 33 300 @ 1.3250	06-Mar-2019	(1 270)
Bought CAD 12 701 Sold USD 9 571 @ 1.3271	07-Mar-2019	(345)
Bought CAD 8 021 Sold USD 6 087 @ 1.3177	08-Mar-2019	(276)
Bought CAD 32 749 Sold USD 24 802 @ 1.3204	11-Mar-2019	(1 055)
Bought CAD 10 391 Sold SEK 69 306 @ 0.1499	11-Mar-2019	(327)
Bought CAD 84 634 Sold USD 63 773 @ 1.3271	12-Mar-2019	(2 285)
Bought CAD 68 019 Sold USD 51 067 @ 1.3320	13-Mar-2019	(1 581)
Bought CAD 5 150 Sold EUR 3 366 @ 1.5301	14-Mar-2019	(138)
Bought CAD 37 694 Sold USD 28 239 @ 1.3348	14-Mar-2019	(792)
Bought CAD 60 970 Sold USD 45 585 @ 1.3375	15-Mar-2019	(1 156)
Bought CAD 60 512 Sold USD 44 994 @ 1.3449	15-Mar-2019	(809)
Bought CAD 59 456 Sold USD 44 461 @ 1.3373	18-Mar-2019	(1 135)
Bought CAD 3 569 Sold GBP 2 107 @ 1.6941	18-Mar-2019	(104)
Bought CAD 41 705 Sold USD 31 175 @ 1.3378	19-Mar-2019	(779)
Bought CAD 8 221 Sold USD 6 155 @ 1.3357	19-Mar-2019	(167)
Bought CAD 8 581 Sold PLN 24 046 @ 0.3569	19-Mar-2019	(191)
Bought CAD 8 067 Sold USD 6 000 @ 1.3444	19-Mar-2019	(110)
Bought CAD 64 072 Sold USD 48 110 @ 1.3318	20-Mar-2019	(1 488)
Bought CAD 53 251 Sold USD 40 000 @ 1.3313	21-Mar-2019	(1 257)
Bought CAD 76 741 Sold USD 57 244 @ 1.3406	21-Mar-2019	(1 265)
Bought CAD 45 336 Sold USD 33 930 @ 1.3362	22-Mar-2019	(900)
Bought CAD 80 433 Sold USD 60 000 @ 1.3406	22-Mar-2019	(1 327)
Bought CAD 71 490 Sold USD 53 189 @ 1.3441	25-Mar-2019	(985)
Bought CAD 36 984 Sold USD 27 423 @ 1.3486	25-Mar-2019	(383)
		\$ (141 898)
TOTAL FOREIGN EXCHANGE		\$ (125 855)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.53% to 2.28% and mature between January 10, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 631 705	\$ 3 584 467
Cash	760	1 584
Subscriptions receivable	4 020	3 587
Unrealized gain on foreign exchange contracts	16 043	44 822
Dividends receivable, interest accrued and other assets	55 220	42 663
TOTAL ASSETS	3 707 748	3 677 123
LIABILITIES		
Redemptions payable	7 715	832
Unrealized loss on foreign exchange contracts	141 898	14 451
Accounts payable and accrued expenses	485	613
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	150 098	15 896
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 557 650	\$ 3 661 227
Investments at cost	\$ 3 614 648	\$ 3 539 123
NAV		
SERIES A	\$ 107 917	\$ 142 067
ADVISOR SERIES	\$ 95 813	\$ 137 040
SERIES D	\$ 31 654	\$ 38 623
SERIES F	\$ 113 729	\$ 136 398
SERIES O	\$ 3 208 537	\$ 3 207 099
NAV PER UNIT		
SERIES A	\$ 9.87	\$ 10.74
ADVISOR SERIES	\$ 9.81	\$ 10.67
SERIES D	\$ 10.00	\$ 10.88
SERIES F	\$ 10.12	\$ 11.02
SERIES O	\$ 10.08	\$ 10.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 194 386	\$ 159 111
Income from investment trusts	14 599	23 870
Derivative income	(143 681)	128 794
Net realized gain (loss) on investments	16 346	85 633
Change in unrealized gain (loss) on investments	(184 513)	(148 045)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(102 863)	249 363
Securities lending revenue (see note 7 in the generic notes)	1 842	1 487
Net gain (loss) on foreign cash balances	(872)	1 584
TOTAL OTHER INCOME (LOSS)	970	3 071
TOTAL INCOME (LOSS)	(101 893)	252 434
EXPENSES (see notes – Fund Specific Information)		
Management fees	4 956	5 705
Administration fees	919	880
Independent Review Committee costs	2	3
GST/HST	636	707
Transaction costs	86	54
Withholding tax	192	1 767
TOTAL EXPENSES	6 791	9 116
INCREASE (DECREASE) IN NAV	\$ (108 684)	\$ 243 318
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (5 758)	\$ 8 491
ADVISOR SERIES	\$ (5 432)	\$ 9 294
SERIES D	\$ (1 418)	\$ 2 312
SERIES F	\$ (4 840)	\$ 7 836
SERIES O	\$ (91 236)	\$ 215 385
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.48)	\$ 0.63
ADVISOR SERIES	\$ (0.47)	\$ 0.65
SERIES D	\$ (0.41)	\$ 0.70
SERIES F	\$ (0.39)	\$ 0.72
SERIES O	\$ (0.29)	\$ 0.82



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (108 684)	\$ 243 318
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(7 033)	(9 964)
Net realized loss (gain) on investments	(16 212)	(85 593)
Change in unrealized loss (gain) on investments	184 513	148 045
(Increase) decrease in accrued receivables	(12 557)	(301)
Increase (decrease) in accrued payables	(128)	(10)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 048 420)	(3 637 941)
Proceeds from sale and maturity of investments	2 996 140	3 128 187
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(12 381)	(214 259)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	658 609	682 809
Cash paid on redemption of redeemable units	(643 740)	(464 248)
Distributions paid to holders of redeemable units	(3 312)	(3 545)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 11 557	\$ 215 016
Net increase (decrease) in cash for the period	(824)	757
Cash (bank overdraft), beginning of period	1 584	827
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 760	\$ 1 584
Interest received (paid)	\$ 181 893	\$ 158 719
Dividends received, net of withholding taxes	\$ —	\$ 12 230

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 142 067	\$ 147 388	\$ 137 040	\$ 166 312	\$ 38 623	\$ 33 066	\$ 136 398	\$ 103 416
INCREASE (DECREASE) IN NAV	(5 758)	8 491	(5 432)	9 294	(1 418)	2 312	(4 840)	7 836
Early redemption fees	—	—	—	—	—	1	—	—
Proceeds from redeemable units issued	10 726	22 184	6 919	12 544	8 266	13 369	36 842	58 864
Reinvestments of distributions to holders of redeemable units	4 245	4 656	3 702	4 484	1 543	1 514	4 166	3 576
Redemption of redeemable units	(38 683)	(35 465)	(41 960)	(50 137)	(13 732)	(10 045)	(52 643)	(31 788)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(23 712)	(8 625)	(31 339)	(33 109)	(3 923)	4 839	(11 635)	30 652
Distributions from net income	(4 680)	(5 187)	(4 456)	(5 457)	(1 628)	(1 594)	(6 194)	(5 506)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 680)	(5 187)	(4 456)	(5 457)	(1 628)	(1 594)	(6 194)	(5 506)
NET INCREASE (DECREASE) IN NAV	(34 150)	(5 321)	(41 227)	(29 272)	(6 969)	5 557	(22 669)	32 982
NAV AT END OF PERIOD	\$ 107 917	\$ 142 067	\$ 95 813	\$ 137 040	\$ 31 654	\$ 38 623	\$ 113 729	\$ 136 398

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 207 099	\$ 2 760 925	\$ 3 661 227	\$ 3 211 107
INCREASE (DECREASE) IN NAV	(91 236)	215 385	(108 684)	243 318
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	612 941	591 766	675 694	698 727
Reinvestments of distributions to holders of redeemable units	183 902	155 053	197 558	169 283
Redemption of redeemable units	(520 257)	(360 946)	(667 275)	(488 381)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	276 586	385 873	205 977	379 630
Distributions from net income	(183 912)	(155 084)	(200 870)	(172 828)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(183 912)	(155 084)	(200 870)	(172 828)
NET INCREASE (DECREASE) IN NAV	1 438	446 174	(103 577)	450 120
NAV AT END OF PERIOD	\$ 3 208 537	\$ 3 207 099	\$ 3 557 650	\$ 3 661 227

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	1.7	1.8
AA	1.9	0.9
A	4.0	3.8
BBB	20.6	21.1
BB	33.7	36.5
B	33.7	31.0
CCC	2.7	2.5
D	0.5	0.4
Unrated	1.2	2.0
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	34.4	27.8
Canada	6.5	5.4
Income Funds	4.7	11.6
Indonesia	2.5	2.6
Mexico	2.4	2.6
Turkey	2.1	1.3
Peru	2.0	1.9
Russia	1.9	2.1
Luxembourg	1.8	1.0
Colombia	1.7	1.2
Dominican Republic	1.5	1.5
Argentina	1.5	1.5
Kazakhstan	1.3	1.3
Panama	1.2	1.3
Brazil	0.9	1.6
Philippines	0.9	0.7
Hungary	0.8	1.1
Croatia	0.7	1.3
United Kingdom	0.7	1.0
Other Countries	30.8	26.5
Cash/Other	(0.3)	4.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	0.3	0.4
1 – 5 years	22.2	25.3
5 – 10 years	56.5	54.4
> 10 years	21.0	19.9
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.9% (December 31, 2017 – 5.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Brazilian real	0.7	0.5
Norwegian krone	0.5	0.5
United States dollar	–	2.7
Mexican peso	–	0.9
Russian ruble	–	0.5
Other currencies	–	0.4
Total	1.2	5.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.1% (December 31, 2017 – 0.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	167 994	–	–	167 994
Fixed-income				
and debt securities	–	3 404 892	–	3 404 892
Short-term investments	–	58 819	–	58 819
Derivatives – assets	–	16 043	–	16 043
Derivatives – liabilities	–	(141 898)	–	(141 898)
Total financial instruments	167 994	3 337 856	–	3 505 850
% of total portfolio	4.8	95.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	425 722	–	–	425 722
Fixed-income				
and debt securities	–	3 065 268	–	3 065 268
Short-term investments	–	93 477	–	93 477
Derivatives – assets	–	44 822	–	44 822
Derivatives – liabilities	–	(14 451)	–	(14 451)
Total financial instruments	425 722	3 189 116	–	3 614 838
% of total portfolio	11.8	88.2	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.10%
Advisor Series	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets Corporate Bond Fund	3.2	16.1	3.5	14.2

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital High Yield Bond SPDR Fund	0.4	0.2	2.9	0.6
iShares iBoxx \$ High Yield Corporate Bond Fund	0.4	0.1	2.9	0.5
iShares J.P. Morgan USD Emerging Markets Bond Fund	–	–	1.6	0.4
VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	0.7	0.4	0.6	0.4

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	146 161
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	13 228	14 034
Issued number of units	1 029	2 061
Reinvested number of units	416	435
Redeemed number of units	(3 740)	(3 302)
Ending number of units	10 933	13 228



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	12 841	15 937
Issued number of units	667	1 174
Reinvested number of units	365	422
Redeemed number of units	(4 105)	(4 692)
Ending number of units	9 768	12 841
Series D		
Opening units	3 549	3 106
Issued number of units	777	1 226
Reinvested number of units	149	139
Redeemed number of units	(1 309)	(922)
Ending number of units	3 166	3 549
Series F		
Opening units	12 379	9 600
Issued number of units	3 457	5 334
Reinvested number of units	398	325
Redeemed number of units	(5 001)	(2 880)
Ending number of units	11 233	12 379
Series O		
Opening units	292 485	257 486
Issued number of units	57 736	53 764
Reinvested number of units	17 679	14 181
Redeemed number of units	(49 510)	(32 946)
Ending number of units	318 390	292 485

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	86	100	54	100
Related-party brokerage commissions*	–	–	1	2
Commission arrangements†	2	2	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	576 629	611 074
Fair value of collateral received	588 162	623 295

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	2 689	100	2 246	100
RBC IS (paid)	(667)	(25)	(622)	(28)
Tax withheld	(180)	(7)	(137)	(6)
Fund revenue	1 842	68	1 487	66

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	0.3	0.3
RBC Balanced Growth & Income Fund	2.7	2.8
RBC Conservative Bond Pool	0.1	–
RBC Conservative Growth & Income Fund	0.3	0.3
RBC Core Bond Pool	0.3	–
RBC Core Plus Bond Pool	0.8	–
RBC Global Growth & Income Fund	0.5	0.2
RBC Managed Payout Solution	4.5	5.0
RBC Managed Payout Solution – Enhanced	9.9	10.1
RBC Managed Payout Solution – Enhanced Plus	5.0	5.2
RBC Retirement 2020 Portfolio	0.1	–
RBC Retirement 2025 Portfolio	0.1	–
RBC Retirement 2030 Portfolio	0.1	–
RBC Retirement 2035 Portfolio	0.1	–
RBC Retirement 2040 Portfolio	–	–
RBC Retirement 2045 Portfolio	–	–
RBC Retirement 2050 Portfolio	–	–
RBC Retirement Income Solution	–	–
RBC Select Balanced Portfolio	9.2	7.4
RBC Select Choices Balanced Portfolio	–	–
RBC Select Choices Conservative Portfolio	0.1	–
RBC Select Choices Growth Portfolio	0.1	–
RBC Select Conservative Portfolio	25.8	22.5
RBC Select Very Conservative Portfolio	7.1	7.0
RBC Strategic Income Bond Fund	5.0	4.6
RBC Total Return Growth Fund	–	–
Total	72.1	65.4



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	16 043	(141 898)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	16 043	(141 898)
Related amounts not set-off	(16 043)	16 043
Collateral (received) pledged	–	25 368
Net amount	–	(100 487)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	44 822	(14 451)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	44 822	(14 451)
Related amounts not set-off	(13 599)	13 599
Collateral (received) pledged	(2 624)	690
Net amount	28 599	(162)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC STRATEGIC INCOME BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
9 060 507	BlueBay Emerging Markets Corporate Bond Fund*	\$ 98 171	\$ 93 765	
8 350 604	BlueBay Global Convertible Bond Fund (Canada)*	104 481	93 752	
14 221 132	RBC Emerging Markets Bond Fund*	162 994	159 638	
9 697 664	RBC Emerging Markets Foreign Exchange Fund*	100 590	102 773	
23 623 877	RBC Global Corporate Bond Fund*	233 163	224 996	
17 667 308	RBC Global High Yield Bond Fund*	191 337	178 041	
7 468 481	RBC High Yield Bond Fund*	79 463	75 532	
TOTAL UNDERLYING FUNDS		970 199	928 497	99.3
SHORT-TERM INVESTMENTS†		22 905	22 905	2.4
TOTAL INVESTMENTS		993 104	951 402	101.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	3	—
TOTAL PORTFOLIO		<u>\$ 993 104</u>	951 405	101.7
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(16 298)	(1.7)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 935 107</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 734 Sold CAD 1 000 @ 0.7344	02-Jan-2019	\$ 3
TOTAL FOREIGN EXCHANGE		<u>\$ 3</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 951 402	\$ 851 602
Cash	40	45
Subscriptions receivable	475	4 787
Unrealized gain on foreign exchange contracts	3	—
Dividends receivable, interest accrued and other assets	1	1
TOTAL ASSETS	951 921	856 435
LIABILITIES		
Due to investment dealers	13 003	4 865
Redemptions payable	1 737	335
Unrealized loss on foreign exchange contracts	—	220
Distributions payable	1 666	1 158
Accounts payable and accrued expenses	408	511
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	16 814	7 089
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 935 107	\$ 849 346
Investments at cost	\$ 993 104	\$ 866 088
NAV		
SERIES A	\$ 72 111	\$ 80 360
ADVISOR SERIES	\$ 55 247	\$ 63 489
SERIES D	\$ 28 264	\$ 26 688
SERIES F	\$ 233 331	\$ 366 326
SERIES O	\$ 546 154	\$ 312 483
NAV PER UNIT		
SERIES A	\$ 9.88	\$ 10.32
ADVISOR SERIES	\$ 9.87	\$ 10.32
SERIES D	\$ 10.26	\$ 10.65
SERIES F	\$ 10.35	\$ 10.73
SERIES O	\$ 10.74	\$ 11.03

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 133	\$ 62
Income from investment trusts	46 056	29 686
Derivative income	917	16
Net realized gain (loss) on investments	(9 988)	418
Change in unrealized gain (loss) on investments	(26 993)	(12 186)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	10 125	17 996
Net gain (loss) on foreign cash balances	(23)	19
TOTAL OTHER INCOME (LOSS)	(23)	19
TOTAL INCOME (LOSS)	10 102	18 015
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 091	3 583
Administration fees	355	208
Independent Review Committee costs	2	3
GST/HST	574	404
TOTAL EXPENSES	6 022	4 198
INCREASE (DECREASE) IN NAV	\$ 4 080	\$ 13 817
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (583)	\$ 1 638
ADVISOR SERIES	\$ (506)	\$ 1 256
SERIES D	\$ 32	\$ 774
SERIES F	\$ (1 066)	\$ 6 419
SERIES O	\$ 6 203	\$ 3 730
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.07)	\$ 0.28
ADVISOR SERIES	\$ (0.08)	\$ 0.27
SERIES D	\$ 0.01	\$ 0.38
SERIES F	\$ (0.03)	\$ 0.30
SERIES O	\$ 0.15	\$ 0.31



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 4 080	\$ 13 817
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(46 056)	(29 686)
Net realized loss (gain) on investments	9 988	(418)
Change in unrealized loss (gain) on investments	26 993	12 186
(Increase) decrease in accrued receivables	—	(1)
Increase (decrease) in accrued payables	(103)	302
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 008 669)	(2 606 450)
Proceeds from sale and maturity of investments	2 925 859	1 985 424
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(87 908)	(624 826)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	593 992	743 776
Cash paid on redemption of redeemable units	(487 261)	(108 790)
Distributions paid to holders of redeemable units	(18 828)	(10 156)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 87 903	\$ 624 830
Net increase (decrease) in cash for the period	(5)	4
Cash (bank overdraft), beginning of period	45	41
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 40	\$ 45
Interest received (paid)	\$ 133	\$ 61
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 80 360	\$ 42 786	\$ 63 489	\$ 34 715	\$ 26 688	\$ 16 972	\$ 366 326	\$ 112 968
INCREASE (DECREASE) IN NAV	(583)	1 638	(506)	1 256	32	774	(1 066)	6 419
Early redemption fees	—	—	—	—	—	1	2	1
Proceeds from redeemable units issued	27 464	60 631	23 849	53 979	11 331	14 672	136 817	294 410
Reinvestments of distributions to holders of redeemable units	2 727	2 570	2 126	1 887	1 044	924	7 481	6 272
Redemption of redeemable units	(34 784)	(24 445)	(31 316)	(26 099)	(9 720)	(5 666)	(262 687)	(42 309)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(4 593)	38 756	(5 341)	29 767	2 655	9 931	(118 387)	258 374
Distributions from net income	(2 640)	(2 337)	(2 057)	(1 871)	(955)	(833)	(11 634)	(9 245)
Distributions from net gains	(200)	(483)	(156)	(378)	(72)	(156)	(880)	(2 190)
Distributions from capital	(233)	—	(182)	—	(84)	—	(1 028)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 073)	(2 820)	(2 395)	(2 249)	(1 111)	(989)	(13 542)	(11 435)
NET INCREASE (DECREASE) IN NAV	(8 249)	37 574	(8 242)	28 774	1 576	9 716	(132 995)	253 358
NAV AT END OF PERIOD	\$ 72 111	\$ 80 360	\$ 55 247	\$ 63 489	\$ 28 264	\$ 26 688	\$ 233 331	\$ 366 326

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 312 483	\$ 1	\$ 849 346	\$ 207 442
INCREASE (DECREASE) IN NAV	6 203	3 730	4 080	13 817
Early redemption fees	—	—	2	2
Proceeds from redeemable units issued	401 385	340 442	600 846	764 134
Reinvestments of distributions to holders of redeemable units	5 020	2 205	18 398	13 858
Redemption of redeemable units	(161 324)	(26 428)	(499 831)	(124 947)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	245 081	316 219	119 415	653 047
Distributions from net income	(15 131)	(5 697)	(32 417)	(19 983)
Distributions from net gains	(1 145)	(1 770)	(2 453)	(4 977)
Distributions from capital	(1 337)	—	(2 864)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(17 613)	(7 467)	(37 734)	(24 960)
NET INCREASE (DECREASE) IN NAV	233 671	312 482	85 761	641 904
NAV AT END OF PERIOD	\$ 546 154	\$ 312 483	\$ 935 107	\$ 849 346

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	1.2	1.4
AA	5.5	4.1
A	12.8	10.5
BBB	26.7	26.4
BB	21.1	23.8
B	21.1	20.3
CCC	1.8	2.2
D	0.4	0.2
Unrated	9.4	11.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	99.3	98.9
Cash/Other	0.7	1.1
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 88.0% (December 31, 2017 – 84.0%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.3	2.0
1 – 5 years	34.6	34.8
5 – 10 years	42.2	43.2
> 10 years	20.9	20.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.9% (December 31, 2017 – 4.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	37.0	39.8
Mexican peso	1.1	1.6
South Korean won	1.0	1.4
Chinese renminbi	1.0	1.5
Indian rupee	0.9	1.3
Singapore dollar	0.8	1.0
Brazilian real	0.7	0.9
Russian ruble	0.7	1.2
Turkish new lira	0.6	0.7
Malaysian ringgit	0.5	0.5
Polish zloty	0.5	0.6
Thailand baht	0.5	0.6
Indonesian rupiah	–	0.6
New Taiwan dollar	–	0.6
Japanese yen	–	0.6
Czech koruna	–	0.5
Other currencies	2.8	2.5
Total	48.1	55.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.4% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	928 497	–	–	928 497
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	22 905	–	22 905
Derivatives – assets	–	3	–	3
Derivatives – liabilities	–	–	–	–
Total financial instruments	928 497	22 908	–	951 405
% of total portfolio	97.6	2.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	840 147	–	–	840 147
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	11 455	–	11 455
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(220)	–	(220)
Total financial instruments	840 147	11 235	–	851 382
% of total portfolio	98.7	1.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Investments by related parties
((\$000s except unit amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	129	124
Value of all units	1	1

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Emerging Markets Corporate Bond Fund	10.0	13.3	11.0	10.3
BlueBay Global Convertible Bond Fund (Canada)	10.0	11.3	10.9	8.6
RBC Emerging Markets Bond Fund	17.1	19.4	15.0	15.4
RBC Emerging Markets Foreign Exchange Fund	11.0	9.9	14.8	16.5
RBC Global Corporate Bond Fund	24.1	2.1	21.0	1.8
RBC Global High Yield Bond Fund	19.0	5.0	20.0	4.6
RBC High Yield Bond Fund	8.1	4.5	6.2	2.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	7 789	4 117
Issued number of units	2 713	5 754
Reinvested number of units	272	245
Redeemed number of units	(3 472)	(2 327)
Ending number of units	7 302	7 789



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	6 153	3 338
Issued number of units	2 357	5 112
Reinvested number of units	212	180
Redeemed number of units	(3 127)	(2 477)
Ending number of units	5 595	6 153
Series D		
Opening units	2 505	1 593
Issued number of units	1 080	1 351
Reinvested number of units	101	86
Redeemed number of units	(932)	(525)
Ending number of units	2 754	2 505
Series F		
Opening units	34 156	10 542
Issued number of units	12 962	26 923
Reinvested number of units	715	578
Redeemed number of units	(25 291)	(3 887)
Ending number of units	22 542	34 156
Series O		
Opening units	28 336	–
Issued number of units	37 074	30 509
Reinvested number of units	466	198
Redeemed number of units	(15 008)	(2 371)
Ending number of units	50 868	28 336

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	3	–
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	3	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	–	(220)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	(220)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(220)



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC \$U.S. STRATEGIC INCOME BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
323 033	BlueBay \$U.S. Global Convertible Bond Fund (Canada)*	\$ 3 331	\$ 2 893	
418 740	BlueBay Emerging Markets Corporate Bond Fund*	3 317	3 174	
525 746	RBC \$U.S. High Yield Bond Fund*	4 909	4 627	
865 772	RBC \$U.S. Investment Grade Corporate Bond Fund*	7 985	7 823	
878 583	RBC Emerging Markets Bond Fund*	7 457	7 224	
372 886	RBC Emerging Markets Foreign Exchange Fund*	2 945	2 895	
TOTAL UNDERLYING FUNDS		29 944	28 636	99.3
SHORT-TERM INVESTMENTS†		628	628	2.2
TOTAL INVESTMENTS		<u>\$ 30 572</u>	29 264	101.5
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(418)	(1.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 28 846</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.



Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 29 264
Cash	10
TOTAL ASSETS	29 274
LIABILITIES	
Due to investment dealers	347
Distributions payable	79
Accounts payable and accrued expenses	2
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF	
REDEEMABLE UNITS	428
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 28 846
Investments at cost	\$ 30 572
NAV	
SERIES A	\$ 140
ADVISOR SERIES	\$ 1 645
SERIES D	\$ 85
SERIES F	\$ 393
SERIES O	\$ 26 583
NAV PER UNIT	
SERIES A	\$ 9.10
ADVISOR SERIES	\$ 9.09
SERIES D	\$ 9.14
SERIES F	\$ 9.16
SERIES O	\$ 9.23

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 6
Income from investment trusts	1 183
Derivative income	4
Net realized gain (loss) on investments	(121)
Change in unrealized gain (loss) on investments	(1 308)
TOTAL NET GAIN (LOSS) ON	
INVESTMENTS AND DERIVATIVES	(236)
TOTAL INCOME (LOSS)	(236)
EXPENSES (see notes – Fund Specific Information)	
Management fees	22
Administration fees	5
Independent Review Committee costs	2
GST/HST	3
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	30
INCREASE (DECREASE) IN NAV	\$ (266)
INCREASE (DECREASE) IN NAV	
SERIES A	\$ (2)
ADVISOR SERIES	\$ (40)
SERIES D	\$ (3)
SERIES F	\$ (8)
SERIES O	\$ (213)
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ (0.25)
ADVISOR SERIES	\$ (0.31)
SERIES D	\$ (0.26)
SERIES F	\$ (0.24)
SERIES O	\$ (0.13)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (266)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Non-cash distributions from underlying funds (1 183)

Net realized loss (gain) on investments 121

Change in unrealized loss (gain) on investments 1 308

(Increase) decrease in accrued receivables —

Increase (decrease) in accrued payables 2

(Increase) decrease in margin accounts —

Cost of investments purchased (101 512)

Proceeds from sale and maturity of investments 72 349

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (29 181)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 35 868

Cash paid on redemption of redeemable units (5 870)

Distributions paid to holders of redeemable units (807)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 29 191

Net increase (decrease) in cash for the period 10

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 10

Interest received (paid) \$ 6

Dividends received, net of withholding taxes \$ —



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(2)	(40)	(3)	(8)
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	185	1 824	94	790
Reinvestments of distributions to holders of redeemable units	5	38	5	13
Redemption of redeemable units	(42)	(98)	(7)	(383)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	148	1 764	92	420
Distributions from net income	(4)	(54)	(3)	(14)
Distributions from net gains	(2)	(25)	(1)	(5)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6)	(79)	(4)	(19)
NET INCREASE (DECREASE) IN NAV	140	1 645	85	393
NAV AT END OF PERIOD	\$ 140	\$ 1 645	\$ 85	\$ 393

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(213)	(266)
Early redemption fees	—	—
Proceeds from redeemable units issued	32 975	35 868
Reinvestments of distributions to holders of redeemable units	264	325
Redemption of redeemable units	(5 340)	(5 870)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	27 899	30 323
Distributions from net income	(723)	(798)
Distributions from net gains	(380)	(413)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 103)	(1 211)
NET INCREASE (DECREASE) IN NAV	26 583	28 846
NAV AT END OF PERIOD	\$ 26 583	\$ 28 846

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

The Fund was started January 17, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund’s exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund’s direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund’s credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AAA	0.7
AA	3.4
A	15.5
BBB	31.6
BB	18.6
B	19.4
CCC	1.6
D	0.3
Unrated	8.9
Total	100.0

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Income Funds	99.3
Cash/Other	0.7
Total	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 89.0% of the NAV of the Fund. The table below summarizes the Fund’s exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	3.1
1 – 5 years	31.6
5 – 10 years	42.0
> 10 years	23.3
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 5.1%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
Mexican peso	1.0
South Korean won	0.9
Chinese renminbi	0.9
Indian rupee	0.8
Singapore dollar	0.7
Russian ruble	0.7
Brazilian real	0.5
Turkish new lira	0.5
Polish zloty	0.5
Thailand baht	0.5
Other currencies	3.2
Total	10.2

As at December 31, 2018, if the United States dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 0.5%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	28 636	–	–	28 636
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	628	–	628
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	28 636	628	–	29 264
% of total portfolio	97.9	2.1	–	100.0

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	106
Advisor Series	106
Series D	106
Series F	106
Value of all units	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
BlueBay \$U.S. Global Convertible Bond Fund (Canada)	10.0	11.3
BlueBay Emerging Markets Corporate Bond Fund	11.0	0.4
RBC \$U.S. High Yield Bond Fund	16.0	4.1

Please see the generic notes at the back of the financial statements.

	December 31 2018	
	NAV	Ownership
RBC \$U.S. Investment Grade Corporate Bond Fund	27.1	5.4
RBC Emerging Markets Bond Fund	25.0	0.9
RBC Emerging Markets Foreign Exchange Fund	10.0	0.2

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31 (see note 2 in the generic notes)	2018
Series A	
Opening units	–
Issued number of units	18
Reinvested number of units	1
Redeemed number of units	(4)
Ending number of units	15
Advisor Series	
Opening units	–
Issued number of units	187
Reinvested number of units	4
Redeemed number of units	(10)
Ending number of units	181
Series D	
Opening units	–
Issued number of units	10
Reinvested number of units	–
Redeemed number of units	(1)
Ending number of units	9
Series F	
Opening units	–
Issued number of units	82
Reinvested number of units	1
Redeemed number of units	(40)
Ending number of units	43
Series O	
Opening units	–
Issued number of units	3 414
Reinvested number of units	28
Redeemed number of units	(562)
Ending number of units	2 880



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC EMERGING MARKETS FOREIGN EXCHANGE FUND

December 31, 2018

Par Value (000s)	Security	Cost	Fair Value	% of Net Assets
SHORT-TERM INVESTMENTS*				
BANKERS ACCEPTANCES AND BANK OBLIGATIONS				
18 000	Bank of Montreal	\$ 17 913	\$ 17 915	
95 150	Bank of Nova Scotia	94 416	94 419	
45 500	Canadian Imperial Bank of Commerce	45 198	45 198	
47 770	HSBC Bank Canada	47 562	47 562	
85 890	National Bank of Canada	85 397	85 397	
1 895	Toronto-Dominion Bank	1 891	1 891	
		<u>292 377</u>	<u>292 382</u>	28.2
COMMERCIAL PAPER				
47 150	Banner Trust	46 907	46 905	
22 500	Bay Street Funding Trust - Class A	22 376	22 375	
17 510	BNP Paribas Capital Trust	17 422	17 420	
30 780	Canadian Master Trust - Series A	30 610	30 610	
5 430	Clarity Trust	5 381	5 381	
47 130	Enbridge Pipelines Inc.	47 067	47 072	
6 250	Greater Toronto Airports Authority	6 217	6 217	
40 530	Inter Pipeline Ltd.	40 354	40 354	
40 140	King Street Funding Trust	39 932	39 932	
45 640	Merit Trust - Senior Notes	45 396	45 396	
39 850	Prime Trust - Senior Notes	39 670	39 670	
27 120	Ridge Trust	26 861	26 861	
40 100	SAFE Trust - Series 1996-1	39 941	39 941	
33 720	SOUND Trust	33 607	33 607	
35 060	STABLE Trust	34 907	34 907	
25 750	Suncor Energy Inc.	25 611	25 611	
46 320	SURE Trust	46 108	46 108	
37 515	TransCanada PipeLines Ltd.	37 408	37 408	
31 350	Zeus Receivables Trust - Senior Notes	31 214	31 214	
		<u>616 989</u>	<u>616 989</u>	59.4
FEDERAL OBLIGATIONS				
15 599	Government of Canada Treasury Bills	15 496	15 496	
		<u>15 496</u>	<u>15 496</u>	1.5

Par Value (000s)	Security	Cost	Fair Value	% of Net Assets
PROVINCIAL OBLIGATIONS				
16 250	Province of Alberta	\$ 16 853	\$ 16 894	
700	Province of British Columbia	697	697	
18 730	Province of Manitoba	18 645	18 645	
1 710	Province of New Brunswick	1 703	1 703	
17 980	Province of Ontario	17 897	17 897	
		<u>55 795</u>	<u>55 836</u>	5.4
TOTAL SHORT-TERM INVESTMENTS				
		<u>980 657</u>	<u>980 703</u>	94.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	61 975	6.0
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(9 606)	(0.9)
TOTAL PORTFOLIO				
		<u>\$ 980 657</u>	<u>1 033 072</u>	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			4 579	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>\$1 037 651</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought ILS 25 000 Sold CAD 8 880 @ 2.8154	07-Jan-2019	\$ 250
Bought PLN 3 377 Sold CAD 1 219 @ 2.7694	07-Jan-2019	12
Bought RON 40 736 Sold CAD 13 013 @ 3.1304	07-Jan-2019	676
Bought SGD 30 078 Sold CAD 28 570 @ 1.0528	08-Jan-2019	1 557
Bought SGD 4 017 Sold CAD 3 794 @ 1.0586	08-Jan-2019	229
Bought MXN 294 965 Sold CAD 19 682 @ 14.9867	10-Jan-2019	779
Bought IDR 121 230 000 Sold CAD 10 197 @ 11889.0000	11-Jan-2019	1 291
Bought INR 732 525 Sold CAD 13 141 @ 55.7440	11-Jan-2019	1 184
Bought INR 176 120 Sold CAD 3 081 @ 57.1672	11-Jan-2019	363
Bought INR 78 440 Sold CAD 1 346 @ 58.2700	11-Jan-2019	188
Bought THB 252 550 Sold CAD 9 918 @ 25.4648	11-Jan-2019	671
Bought THB 50 402 Sold CAD 1 996 @ 25.2465	11-Jan-2019	117
Bought PLN 8 498 Sold CAD 2 934 @ 2.8968	14-Jan-2019	166
Bought PLN 59 843 Sold CAD 21 402 @ 2.7961	14-Jan-2019	426
Bought BRL 40 680 Sold CAD 13 931 @ 2.9202	15-Jan-2019	382
Bought CZK 28 948 Sold USD 1 275 @ 22.6974	15-Jan-2019	19
Bought PLN 8 626 Sold USD 2 270 @ 3.8006	15-Jan-2019	49
Bought SGD 3 137 Sold USD 2 289 @ 1.3704	15-Jan-2019	18
Bought THB 150 245 Sold CAD 6 031 @ 24.9108	15-Jan-2019	268
Bought THB 97 825 Sold CAD 3 926 @ 24.9178	15-Jan-2019	176
Bought TRY 71 394 Sold CAD 14 834 @ 4.8130	15-Jan-2019	3 434
Bought TWD 600 330 Sold CAD 25 221 @ 23.8030	15-Jan-2019	1 528
Bought USD 1 300 Sold CZK 28 948 @ 0.0449	15-Jan-2019	15
Bought CAD 1 527 Sold RUB 76 668 @ 0.0199	16-Jan-2019	28
Bought KRW 33 153 000 Sold CAD 37 952 @ 873.5500	16-Jan-2019	2 646
Bought KRW 2 275 800 Sold USD 2 000 @ 1137.9000	16-Jan-2019	58
Bought RUB 1 102 678 Sold CAD 21 234 @ 51.9294	16-Jan-2019	320
Bought USD 1 890 Sold KRW 2 097 900 @ 0.0009	16-Jan-2019	10

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought IDR 32 894 000 Sold USD 2 117 @ 15539.0000	17-Jan-2019	\$ 224
Bought USD 2 144 Sold COP 6 541 000 @ 0.0003	17-Jan-2019	179
Bought CZK 277 000 Sold CAD 16 036 @ 17.2735	18-Jan-2019	801
Bought CNY 190 460 Sold CAD 35 754 @ 5.3270	22-Jan-2019	2 079
Bought NOK 16 935 Sold USD 1 943 @ 8.7169	22-Jan-2019	24
Bought PHP 509 617 Sold CAD 12 815 @ 39.7680	22-Jan-2019	419
Bought MXN 248 000 Sold CAD 16 574 @ 14.9630	24-Jan-2019	578
Bought MXN 18 358 Sold CAD 1 174 @ 15.6381	24-Jan-2019	96
Bought MXN 40 373 Sold CAD 2 641 @ 15.2898	24-Jan-2019	152
Bought THB 290 248 Sold CAD 11 560 @ 25.1089	24-Jan-2019	610
Bought IDR 197 151 000 Sold CAD 16 677 @ 11821.5900	25-Jan-2019	1 944
Bought IDR 14 307 877 Sold CAD 1 207 @ 11858.0600	25-Jan-2019	145
Bought MYR 74 852 Sold CAD 23 282 @ 3.2150	25-Jan-2019	1 452
Bought HUF 1 404 120 Sold CAD 6 589 @ 213.0860	28-Jan-2019	260
Bought INR 1 672 974 Sold CAD 28 976 @ 57.7360	28-Jan-2019	3 745
Bought TWD 311 533 Sold CAD 13 247 @ 23.5180	29-Jan-2019	686
Bought CLP 2 688 255 Sold CAD 5 109 @ 526.1830	30-Jan-2019	180
Bought CNY 120 864 Sold CAD 22 645 @ 5.3373	01-Feb-2019	1 352
Bought CNY 9 211 Sold CAD 1 749 @ 5.2660	01-Feb-2019	80
Bought PLN 50 574 Sold CAD 17 488 @ 2.8919	01-Feb-2019	957
Bought ARS 325 690 Sold CAD 10 159 @ 32.0577	04-Feb-2019	1 076
Bought RON 9 142 Sold CAD 2 946 @ 3.1032	06-Feb-2019	121
Bought CAD 2 448 Sold ZAR 25 934 @ 0.0944	07-Feb-2019	1
Bought COP 8 930 000 Sold CAD 3 647 @ 2448.6410	07-Feb-2019	96
Bought ILS 22 168 Sold CAD 7 971 @ 2.7810	07-Feb-2019	140
Bought KRW 16 572 000 Sold CAD 19 319 @ 857.8000	07-Feb-2019	998
Bought KRW 874 812 Sold CAD 1 040 @ 840.8000	07-Feb-2019	32
Bought KRW 1 318 445 Sold CAD 1 558 @ 846.0000	07-Feb-2019	58
Bought PEN 27 376 Sold CAD 10 644 @ 2.5719	07-Feb-2019	424
Bought ZAR 242 855 Sold CAD 22 116 @ 10.9810	07-Feb-2019	799
Bought INR 1 496 000 Sold CAD 26 430 @ 56.6030	11-Feb-2019	2 784
Bought THB 600 000 Sold CAD 24 438 @ 24.5515	14-Feb-2019	719
Bought JPY 480 859 Sold USD 4 266 @ 112.7075	15-Feb-2019	186
Bought MYR 71 122 Sold CAD 22 891 @ 3.1070	15-Feb-2019	604
Bought RUB 815 461 Sold CAD 15 667 @ 52.0480	15-Feb-2019	191
Bought TWD 424 400 Sold CAD 18 219 @ 23.2940	15-Feb-2019	785
Bought TWD 59 210 Sold USD 1 929 @ 30.6950	15-Feb-2019	21
Bought CNY 183 522 Sold CAD 34 768 @ 5.2785	19-Feb-2019	1 642
Bought CNY 6 715 Sold CAD 1 329 @ 5.0540	19-Feb-2019	4
Bought CZK 108 584 Sold CAD 6 476 @ 16.7680	19-Feb-2019	126
Bought MXN 284 000 Sold CAD 18 002 @ 15.7758	19-Feb-2019	1 552
Bought PHP 299 154 Sold CAD 7 539 @ 39.6790	19-Feb-2019	216
Bought RON 8 197 Sold CAD 2 653 @ 3.0896	19-Feb-2019	96
Bought SGD 31 891 Sold CAD 30 642 @ 1.0408	19-Feb-2019	1 298
Bought TRY 35 900 Sold CAD 6 773 @ 5.3005	19-Feb-2019	2 227
Bought TRY 6 636 Sold CAD 1 309 @ 5.0699	19-Feb-2019	355
Bought TRY 8 806 Sold CAD 1 683 @ 5.2316	19-Feb-2019	524
Bought TRY 6 846 Sold CAD 1 311 @ 5.2225	19-Feb-2019	405
Bought TRY 8 106 Sold CAD 1 723 @ 4.7055	19-Feb-2019	309
Bought TWD 283 193 Sold CAD 12 214 @ 23.1860	19-Feb-2019	470
Bought MXN 499 450 Sold CAD 33 572 @ 14.8770	21-Feb-2019	805
Bought PLN 36 744 Sold CAD 12 960 @ 2.8351	21-Feb-2019	442
Bought KRW 16 638 000 Sold CAD 19 553 @ 850.9185	22-Feb-2019	851

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HUF 2 627 700 Sold CAD 12 275 @ 214.0700	26-Feb-2019	\$ 560
Bought CAD 1 902 Sold CLP 962 319 @ 0.0020	27-Feb-2019	10
Bought CLP 2 836 423 Sold CAD 5 568 @ 509.4600	27-Feb-2019	9
Bought CZK 13 331 Sold USD 590 @ 22.6135	27-Feb-2019	7
Bought HUF 162 738 Sold USD 577 @ 281.9657	27-Feb-2019	8
Bought INR 425 000 Sold USD 6 031 @ 70.4670	27-Feb-2019	58
Bought PHP 26 105 Sold USD 492 @ 53.0450	27-Feb-2019	5
Bought SGD 812 Sold USD 594 @ 1.3667	27-Feb-2019	3
Bought TWD 18 679 Sold USD 609 @ 30.6600	27-Feb-2019	6
Bought USD 5 863 Sold ILS 21 608 @ 0.2713	27-Feb-2019	79
Bought USD 590 Sold ZAR 8 389 @ 0.0704	27-Feb-2019	15
Bought USD 481 Sold RUB 32 437 @ 0.0148	27-Feb-2019	26
Bought ARS 228 840 Sold CAD 6 978 @ 32.7960	28-Feb-2019	698
Bought CAD 1 232 Sold RUB 63 366 @ 0.0194	01-Mar-2019	2
Bought CAD 8 126 Sold RUB 412 337 @ 0.0197	01-Mar-2019	123
Bought SGD 24 200 Sold CAD 23 375 @ 1.0353	05-Mar-2019	863
Bought SGD 1 537 Sold CAD 1 512 @ 1.0162	05-Mar-2019	27
Bought HUF 1 252 694 Sold CAD 5 833 @ 214.7523	06-Mar-2019	288
Bought HUF 793 712 Sold CAD 3 744 @ 212.0000	06-Mar-2019	134
Bought INR 1 185 640 Sold CAD 22 212 @ 53.3783	07-Mar-2019	862
Bought IDR 147 694 000 Sold CAD 13 451 @ 10980.0210	08-Mar-2019	406
Bought CNY 133 907 Sold CAD 25 724 @ 5.2055	11-Mar-2019	819
Bought CNY 4 318 Sold CAD 836 @ 5.1675	11-Mar-2019	20
Bought MXN 123 695 Sold USD 5 988 @ 20.6584	11-Mar-2019	327
Bought BRL 50 626 Sold CAD 17 402 @ 2.9092	18-Mar-2019	299
Bought CLP 3 310 644 Sold CAD 6 499 @ 509.4450	18-Mar-2019	8
Bought KRW 33 030 312 Sold CAD 39 364 @ 839.1000	19-Mar-2019	1 163
Bought MXN 311 686 Sold CAD 20 231 @ 15.4062	19-Mar-2019	1 125
Bought MXN 21 857 Sold CAD 1 495 @ 14.6220	19-Mar-2019	3
Bought TRY 76 150 Sold CAD 18 235 @ 4.1761	19-Mar-2019	590
Bought CZK 220 397 Sold CAD 13 153 @ 16.7560	20-Mar-2019	248
Bought CZK 29 364 Sold CAD 1 781 @ 16.4866	20-Mar-2019	4
		\$ 61 975

Contracts	Maturity Date	Unrealized Loss
Bought CAD 6 394 Sold PLN 17 992 @ 0.3554	07-Jan-2019	\$ (170)
Bought CAD 2 273 Sold RON 6 959 @ 0.3267	07-Jan-2019	(65)
Bought CAD 419 Sold RON 1 274 @ 0.3289	07-Jan-2019	(9)
Bought CAD 641 Sold IDR 7 534 921 @ 0.0001	11-Jan-2019	(73)
Bought CAD 1 632 Sold THB 41 130 @ 0.0397	11-Jan-2019	(93)
Bought CAD 952 Sold IDR 11 164 335 @ 0.0001	11-Jan-2019	(106)
Bought CAD 6 763 Sold THB 166 106 @ 0.0407	11-Jan-2019	(201)
Bought BRL 4 913 Sold USD 1 300 @ 3.7795	15-Jan-2019	(45)
Bought CAD 1 268 Sold TWD 29 788 @ 0.0426	15-Jan-2019	(59)
Bought CAD 1 652 Sold TRY 7 232 @ 0.2285	15-Jan-2019	(198)
Bought CAD 607 Sold BRL 1 808 @ 0.3357	15-Jan-2019	(29)
Bought CAD 6 958 Sold BRL 20 300 @ 0.3428	15-Jan-2019	(184)
Bought CAD 1 126 Sold THB 27 381 @ 0.0411	15-Jan-2019	(22)
Bought TWD 36 686 Sold CAD 1 638 @ 22.3925	15-Jan-2019	(4)
Bought USD 2 270 Sold SGD 3 137 @ 0.7236	15-Jan-2019	(44)
Bought USD 2 291 Sold PLN 8 626 @ 0.2656	15-Jan-2019	(20)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought USD 1 254 Sold BRL 4 913 @ 0.2553	15-Jan-2019	\$ (17)
Bought CAD 2 569 Sold KRW 2 229 220 @ 0.0012	16-Jan-2019	(161)
Bought CAD 13 819 Sold KRW 11 570 341 @ 0.0012	16-Jan-2019	(350)
Bought USD 4 266 Sold KRW 4 821 000 @ 0.0009	16-Jan-2019	(83)
Bought COP 16 982 000 Sold CAD 7 186 @ 2363.1624	17-Jan-2019	(56)
Bought COP 6 541 000 Sold USD 2 058 @ 3179.0000	17-Jan-2019	(61)
Bought USD 2 136 Sold IDR 32 894 000 @ 0.0001	17-Jan-2019	(198)
Bought CAD 645 Sold CZK 11 108 @ 0.0580	18-Jan-2019	(30)
Bought CAD 2 717 Sold CNY 14 481 @ 0.1876	22-Jan-2019	(159)
Bought CAD 585 Sold PHP 23 471 @ 0.0249	22-Jan-2019	(24)
Bought CAD 14 932 Sold CNY 77 118 @ 0.1936	22-Jan-2019	(386)
Bought CAD 2 150 Sold PHP 85 259 @ 0.0252	22-Jan-2019	(64)
Bought CAD 4 375 Sold CNY 22 433 @ 0.1950	22-Jan-2019	(82)
Bought CAD 818 Sold PHP 32 369 @ 0.0253	22-Jan-2019	(22)
Bought USD 1 970 Sold RON 8 057 @ 0.2445	22-Jan-2019	(17)
Bought CAD 758 Sold MXN 11 750 @ 0.0645	24-Jan-2019	(55)
Bought CAD 2 436 Sold MXN 38 164 @ 0.0638	24-Jan-2019	(204)
Bought CAD 631 Sold MYR 2 002 @ 0.3152	25-Jan-2019	(31)
Bought CAD 4 891 Sold IDR 53 846 582 @ 0.0001	25-Jan-2019	(195)
Bought CAD 1 798 Sold MYR 5 591 @ 0.3215	25-Jan-2019	(50)
Bought CAD 1 787 Sold INR 101 662 @ 0.0176	28-Jan-2019	(202)
Bought CAD 2 613 Sold INR 149 114 @ 0.0175	28-Jan-2019	(303)
Bought CAD 9 765 Sold INR 519 526 @ 0.0188	28-Jan-2019	(396)
Bought BRL 70 360 Sold CAD 24 867 @ 2.8294	30-Jan-2019	(147)
Bought CAD 3 210 Sold BRL 9 160 @ 0.3504	30-Jan-2019	(9)
Bought CAD 2 928 Sold BRL 8 491 @ 0.3448	30-Jan-2019	(56)
Bought CLP 1 455 000 Sold USD 2 128 @ 683.5800	30-Jan-2019	(41)
Bought CAD 1 176 Sold PLN 3 368 @ 0.3491	01-Feb-2019	(53)
Bought CAD 2 654 Sold ARS 80 217 @ 0.0331	04-Feb-2019	(113)
Bought CAD 2 052 Sold ILS 5 720 @ 0.3588	07-Feb-2019	(41)
Bought CAD 1 593 Sold COP 3 817 932 @ 0.0004	07-Feb-2019	(7)
Bought CAD 1 633 Sold PEN 4 130 @ 0.3954	07-Feb-2019	(37)
Bought CAD 667 Sold ZAR 7 170 @ 0.0930	07-Feb-2019	(10)
Bought PEN 45 890 Sold USD 13 621 @ 3.3690	07-Feb-2019	(24)
Bought USD 1 841 Sold PEN 6 228 @ 0.2956	07-Feb-2019	(7)
Bought CAD 1 931 Sold INR 104 215 @ 0.0185	11-Feb-2019	(104)
Bought CAD 6 931 Sold INR 365 630 @ 0.0190	11-Feb-2019	(209)
Bought CAD 1 419 Sold TWD 32 886 @ 0.0431	15-Feb-2019	(54)
Bought CAD 6 876 Sold TWD 158 073 @ 0.0435	15-Feb-2019	(202)
Bought CAD 2 634 Sold TWD 59 960 @ 0.0439	15-Feb-2019	(51)
Bought USD 12 824 Sold TWD 391 000 @ 0.0328	15-Feb-2019	(21)
Bought USD 4 156 Sold TWD 127 158 @ 0.0327	15-Feb-2019	(26)
Bought USD 636 Sold TWD 19 497 @ 0.0326	15-Feb-2019	(5)
Bought CAD 500 Sold TRY 2 273 @ 0.2200	19-Feb-2019	(70)
Bought CAD 2 273 Sold CNY 11 979 @ 0.1897	19-Feb-2019	(104)
Bought CAD 3 707 Sold SGD 3 775 @ 0.9819	19-Feb-2019	(74)
Bought MXN 13 378 Sold CAD 922 @ 14.5079	19-Feb-2019	(1)
Bought USD 2 098 Sold CNY 14 609 @ 0.1436	19-Feb-2019	(38)
Bought USD 2 247 Sold CNY 15 650 @ 0.1436	19-Feb-2019	(41)
Bought CAD 2 729 Sold MXN 43 214 @ 0.0631	21-Feb-2019	(246)
Bought CAD 10 961 Sold MXN 169 030 @ 0.0648	21-Feb-2019	(673)
Bought CAD 4 181 Sold HUF 884 884 @ 0.0047	26-Feb-2019	(141)
Bought BRL 16 956 Sold USD 4 420 @ 3.8364	27-Feb-2019	(87)
Bought CAD 798 Sold CLP 408 941 @ 0.0020	27-Feb-2019	(6)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought IDR 88 586 000 Sold USD 6 138 @ 14433.0000	27-Feb-2019	\$ (45)
Bought ILS 2 224 Sold USD 599 @ 3.7133	27-Feb-2019	(2)
Bought ILS 4 891 Sold USD 1 317 @ 3.7133	27-Feb-2019	(4)
Bought RUB 294 841 Sold USD 4 406 @ 66.9140	27-Feb-2019	(283)
Bought TRY 33 155 Sold USD 6 134 @ 5.4054	27-Feb-2019	(85)
Bought USD 4 435 Sold PHP 233 447 @ 0.0190	27-Feb-2019	(1)
Bought USD 4 479 Sold SGD 6 145 @ 0.7289	27-Feb-2019	(49)
Bought USD 4 495 Sold CZK 102 224 @ 0.0440	27-Feb-2019	(87)
Bought USD 5 860 Sold TWD 178 892 @ 0.0328	27-Feb-2019	(27)
Bought USD 5 836 Sold HUF 1 647 237 @ 0.0035	27-Feb-2019	(90)
Bought USD 707 Sold TRY 3 940 @ 0.1794	27-Feb-2019	(20)
Bought USD 721 Sold INR 51 359 @ 0.0140	27-Feb-2019	(18)
Bought USD 831 Sold IDR 12 279 651 @ 0.0001	27-Feb-2019	(21)
Bought USD 456 Sold BRL 1 785 @ 0.2557	27-Feb-2019	(3)
Bought USD 1 354 Sold TRY 7 549 @ 0.1794	27-Feb-2019	(38)
Bought ZAR 62 941 Sold USD 4 483 @ 14.0392	27-Feb-2019	(189)
Bought RUB 935 793 Sold CAD 18 463 @ 50.6850	01-Mar-2019	(301)
Bought RUB 148 884 Sold CAD 2 902 @ 51.3000	01-Mar-2019	(13)
Bought CAD 10 283 Sold SGD 10 530 @ 0.9765	05-Mar-2019	(263)
Bought CAD 1 703 Sold HUF 356 985 @ 0.0048	06-Mar-2019	(42)
Bought CAD 3 321 Sold IDR 36 145 172 @ 0.0001	08-Mar-2019	(71)
Bought RUB 771 075 Sold CAD 15 376 @ 50.1489	15-Mar-2019	(440)
Bought CAD 5 411 Sold KRW 4 520 598 @ 0.0012	19-Mar-2019	(135)
Bought CAD 3 986 Sold MXN 60 350 @ 0.0661	19-Mar-2019	(149)
Bought CAD 2 951 Sold TRY 12 191 @ 0.2421	19-Mar-2019	(62)
Bought CAD 5 288 Sold TRY 21 399 @ 0.2471	19-Mar-2019	(2)
		\$ (9 606)
TOTAL FOREIGN EXCHANGE		\$ 52 369

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 1.59% to 2.28% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 980 703	\$ 759 285
Cash	165	168
Subscriptions receivable	1 638	1 637
Unrealized gain on foreign exchange contracts	61 975	15 078
Dividends receivable, interest accrued and other assets	2 831	1 556
TOTAL ASSETS	1 047 312	777 724
LIABILITIES		
Redemptions payable	25	–
Unrealized loss on foreign exchange contracts	9 606	12 218
Accounts payable and accrued expenses	30	31
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	9 661	12 249
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 037 651	\$ 765 475
Investments at cost	\$ 980 657	\$ 759 285
NAV		
SERIES A	\$ 751	\$ 706
ADVISOR SERIES	\$ 76	\$ 208
SERIES D	\$ 603	\$ 443
SERIES F	\$ 14 954	\$ 17 731
SERIES O	\$ 1 021 267	\$ 746 387
NAV PER UNIT		
SERIES A	\$ 9.65	\$ 9.35
ADVISOR SERIES	\$ 9.65	\$ 9.36
SERIES D	\$ 9.71	\$ 9.39
SERIES F	\$ 9.74	\$ 9.42
SERIES O	\$ 10.60	\$ 10.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 15 008	\$ 7 063
Derivative income	(1 238)	28 755
Change in unrealized gain (loss) on investments	49 555	5 087
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	63 325	40 905
Net gain (loss) on foreign cash balances	4	(16)
TOTAL OTHER INCOME (LOSS)	4	(16)
TOTAL INCOME (LOSS)	63 329	40 889
EXPENSES (see notes – Fund Specific Information)		
Management fees	143	96
Administration fees	175	132
Independent Review Committee costs	2	3
GST/HST	37	21
TOTAL EXPENSES	357	252
INCREASE (DECREASE) IN NAV	\$ 62 972	\$ 40 637
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 19	\$ (2)
ADVISOR SERIES	\$ 3	\$ –
SERIES D	\$ (14)	\$ –
SERIES F	\$ 610	\$ (124)
SERIES O	\$ 62 354	\$ 40 763
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.22	\$ (0.04)
ADVISOR SERIES	\$ 0.16	\$ 0.03
SERIES D	\$ (0.11)	\$ 0.03
SERIES F	\$ 0.37	\$ (0.11)
SERIES O	\$ 0.76	\$ 0.68



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 62 972	\$ 40 637
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	—	—
Change in unrealized loss (gain) on investments	(49 555)	(5 087)
(Increase) decrease in accrued receivables	(1 275)	(825)
Increase (decrease) in accrued payables	(1)	18
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(5 660 988)	(4 240 565)
Proceeds from sale and maturity of investments	5 439 616	4 012 413
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(209 231)	(193 409)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	902 627	701 371
Cash paid on redemption of redeemable units	(693 382)	(507 798)
Distributions paid to holders of redeemable units	(17)	(167)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 209 228	\$ 193 406
Net increase (decrease) in cash for the period	(3)	(3)
Cash (bank overdraft), beginning of period	168	171
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 165	\$ 168
Interest received (paid)	\$ 13 733	\$ 6 238
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 706	\$ 280	\$ 208	\$ 81	\$ 443	\$ 225	\$ 17 731	\$ 2 602
INCREASE (DECREASE) IN NAV	19	(2)	3	—	(14)	—	610	(124)
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	556	864	5	139	4 162	626	2 938	21 503
Reinvestments of distributions to holders of redeemable units	—	25	—	5	4	14	58	391
Redemption of redeemable units	(530)	(435)	(140)	(10)	(3 988)	(407)	(6 308)	(6 087)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	26	454	(135)	134	178	233	(3 312)	15 807
Distributions from net income	—	(26)	—	(7)	(4)	(15)	(75)	(554)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	(26)	—	(7)	(4)	(15)	(75)	(554)
NET INCREASE (DECREASE) IN NAV	45	426	(132)	127	160	218	(2 777)	15 129
NAV AT END OF PERIOD	\$ 751	\$ 706	\$ 76	\$ 208	\$ 603	\$ 443	\$ 14 954	\$ 17 731

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 746 387	\$ 526 507	\$ 765 475	\$ 529 695
INCREASE (DECREASE) IN NAV	62 354	40 763	62 972	40 637
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	895 063	679 884	902 724	703 016
Reinvestments of distributions to holders of redeemable units	9 158	28 774	9 220	29 209
Redemption of redeemable units	(682 537)	(500 767)	(693 503)	(507 706)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	221 684	207 891	218 441	224 519
Distributions from net income	(9 158)	(28 774)	(9 237)	(29 376)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9 158)	(28 774)	(9 237)	(29 376)
NET INCREASE (DECREASE) IN NAV	274 880	219 880	272 176	235 780
NAV AT END OF PERIOD	\$ 1 021 267	\$ 746 387	\$ 1 037 651	\$ 765 475

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide returns associated with those of emerging market currencies and short-term interest rates by investing primarily in short-term Canadian money market instruments and foreign exchange forward contracts on emerging market currencies.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018	December 31 2017
Rating		
R-1 (H)	64.9	77.4
R-1 (M)	18.3	9.7
R-1 (L)	16.8	12.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Commercial Paper	59.4	63.0
Bankers Acceptances and Bank Obligations	28.2	35.6
Provincial Obligations	5.4	—
Federal Obligations	1.5	0.5
Cash/Other	5.5	0.9
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
0 – 1 month	52.5	43.9
1 – 3 months	42.3	43.2
3 – 6 months	5.2	12.9
6 – 12 months	—	—
Total	100.0	100.0

Due to the short-term nature of the Fund's investments, the Fund has minimal sensitivity to changes in interest rates.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Mexican peso	10.1	9.2
Chinese renminbi	9.3	10.2
South Korean won	9.3	9.1
Indian rupee	8.4	8.7
Singapore dollar	7.0	6.5
Russian ruble	6.5	6.9
Polish zloty	4.9	4.3
Thailand baht	4.9	3.8
Turkish new lira	4.7	5.0
Brazilian real	4.6	5.6
Malaysian ringgit	4.4	3.5
Indonesian rupiah	4.1	3.4
New Taiwan dollar	3.2	4.0
Czech koruna	3.1	3.6
Peruvian nuevo sol	2.5	2.0
South African rand	2.4	—
Chilean peso	1.7	1.5
Argentinian peso	1.6	2.0
Hungarian forint	1.6	2.3
Romanian leu	1.4	1.5
Philippine peso	1.2	2.0
Israeli new shekel	1.0	1.5
Colombian peso	0.9	1.1
Japanese yen	0.6	—
United States dollar	—	1.4
Other currencies	0.6	0.4
Total	100.0	99.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	980 703	–	980 703
Derivatives – assets	–	61 975	–	61 975
Derivatives – liabilities	–	(9 606)	–	(9 606)
Total financial instruments	–	1 033 072	–	1 033 072
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	759 285	–	759 285
Derivatives – assets	–	15 078	–	15 078
Derivatives – liabilities	–	(12 218)	–	(12 218)
Total financial instruments	–	762 145	–	762 145
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Investments by related parties
((\$000s except unit amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	110	110
Advisor Series	110	110
Series D	111	111
Series F	112	112
Value of all units	4	4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	75	30
Issued number of units	60	87
Reinvested number of units	–	3
Redeemed number of units	(57)	(45)
Ending number of units	78	75
Advisor Series		
Opening units	22	9
Issued number of units	1	13
Reinvested number of units	–	1
Redeemed number of units	(15)	(1)
Ending number of units	8	22
Series D		
Opening units	47	24
Issued number of units	445	64
Reinvested number of units	–	1
Redeemed number of units	(430)	(42)
Ending number of units	62	47
Series F		
Opening units	1 883	275
Issued number of units	309	2 203
Reinvested number of units	6	41
Redeemed number of units	(663)	(636)
Ending number of units	1 535	1 883
Series O		
Opening units	73 018	51 525
Issued number of units	89 013	65 500
Reinvested number of units	901	2 762
Redeemed number of units	(66 565)	(46 769)
Ending number of units	96 367	73 018

Please see the generic notes at the back of the financial statements.



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North Core Plus Bond Fund	7.7	3.0
RBC \$U.S. Strategic Income Bond Fund	0.3	—
RBC Balanced Fund	2.2	—
RBC Bond Fund	34.4	41.2
RBC Conservative Bond Pool	0.9	—
RBC Core Bond Pool	1.9	—
RBC Core Plus Bond Pool	7.0	—
RBC Global Balanced Fund	0.1	—
RBC Global Bond & Currency Fund	0.5	—
RBC Global Bond Fund	17.0	21.7
RBC Global Corporate Bond Fund	10.6	12.3
RBC Global Growth & Income Fund	0.6	0.3
RBC High Yield Bond Fund	2.3	2.4
RBC Monthly Income Fund	2.8	—
RBC Strategic Income Bond Fund	9.9	16.5
RBC Total Return Growth Fund	—	—
Total	98.2	97.4

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	61 975	(9 606)
Amounts set-off in the		
Statements of Financial Position	—	—
Net amounts presented in the		
Statements of Financial Position	61 975	(9 606)
Related amounts not set-off	(9 606)	9 606
Collateral (received) pledged	(20 414)	—
Net amount	31 955	—

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	15 078	(12 218)
Amounts set-off in the		
Statements of Financial Position	—	—
Net amounts presented in the		
Statements of Financial Position	15 078	(12 218)
Related amounts not set-off	(8 952)	8 952
Collateral (received) pledged	(3 826)	635
Net amount	2 300	(2 631)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EMERGING MARKETS BOND FUND

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS						
92 000	iShares J.P. Morgan USD Emerging Markets Bond Fund			\$ 13 204	\$ 13 053	
290 000	VanEck Vectors J.P. Morgan EM Local Currency Bond Fund			13 663	13 065	
TOTAL UNDERLYING FUNDS				26 867	26 118	3.2
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FOREIGN BONDS						
Angola						
1 575	Republic of Angola USD	9.500	12-Nov-2025	\$ 2 297	\$ 2 275	
2 350	Republic of Angola USD	8.250	09-May-2028	3 130	3 041	
900	Republic of Angola USD	9.375	08-May-2048	1 182	1 155	
				6 609	6 471	0.8
Argentina						
2 350	Province of Santa Fe USD	6.900	01-Nov-2027	3 111	2 390	
2 375	Provincia de Buenos Aires USD	10.875	26-Jan-2021	3 229	3 208	
1 875	Provincia de Cordoba USD	7.125	10-Jun-2021	2 543	2 233	
2 875	Provincia de Mendoza Argentina USD	8.375	19-May-2024	3 712	3 160	
3 225	Republic of Argentina USD	5.875	11-Jan-2028	3 569	3 192	
8 025	Republic of Argentina USD	7.625	22-Apr-2046	10 119	7 985	
				26 283	22 168	2.7
Armenia						
2 010	Republic of Armenia USD	6.000	30-Sep-2020	2 570	2 780	
2 100	Republic of Armenia USD	7.150	26-Mar-2025	2 901	3 026	
				5 471	5 806	0.7
Azerbaijan						
5 770	Republic of Azerbaijan USD	4.750	18-Mar-2024	7 468	7 875	
3 205	State Oil Co. of the Azerbaijan Republic USD	4.750	13-Mar-2023	3 856	4 372	
				11 324	12 247	1.5
Bahamas						
6 510	Bahamas Government USD	5.750	16-Jan-2024	8 707	9 046	
				8 707	9 046	1.1
Bahrain						
4 075	Bahrain Government USD	7.000	12-Oct-2028	4 992	5 588	
				4 992	5 588	0.7
Barbados						
413	Barbados Government USD	7.250	15-Dec-2021	494	320	
				494	320	—
Bolivia						
1 053	Bolivian Government USD	5.950	22-Aug-2023	1 442	1 431	
				1 442	1 431	0.2
Brazil						
4 150	Banco Nacional de Desenvolvimento Economico e Social USD	5.750	26-Sep-2023	5 856	5 924	
1 100	Republic of Brazil USD	4.625	13-Jan-2028	1 349	1 450	
4 050	Republic of Brazil USD	5.625	07-Jan-2041	4 996	5 333	
				12 201	12 707	1.5
Chile						
8 000	Republic of Chile USD	3.860	21-Jun-2047	10 171	10 235	
				10 171	10 235	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
China						
1 955	Sinochem Overseas Capital Co. Ltd. USD	4.500	12-Nov-2020	\$ 2 236	\$ 2 710	
525	Sinopec Group Overseas Development 2012 Ltd. USD	3.900	17-May-2022	729	723	
3 275	Sinopec Group Overseas Development 2012 Ltd. USD	4.875	17-May-2042	4 503	4 726	
4 245	State Grid Overseas Investment 2014 Ltd. USD	4.125	07-May-2024	5 467	5 911	
3 750	The Export-Import Bank of China USD	3.625	31-Jul-2024	5 025	5 125	
				17 960	19 195	2.3
Colombia						
5 535	Republic of Colombia USD	8.125	21-May-2024	8 608	8 871	
2 225	Republic of Colombia USD	3.875	25-Apr-2027	2 750	2 911	
8 530	Republic of Colombia USD	6.125	18-Jan-2041	12 259	12 646	
				23 617	24 428	3.0
Costa Rica						
4 435	Banco Nacional de Costa Rica USD	6.250	01-Nov-2023	6 207	5 725	
1 100	Costa Rica Government USD	7.000	04-Apr-2044	1 455	1 278	
				7 662	7 003	0.8
Croatia						
1 298	Croatia Government USD	6.750	05-Nov-2019	1 695	1 819	
4 505	Croatia Government USD	5.500	04-Apr-2023	6 331	6 470	
1 340	Hrvatska Elektroprivreda USD	5.875	23-Oct-2022	1 883	1 908	
				9 909	10 197	1.2
Dominican Republic						
6 525	Dominican Republic USD	5.875	18-Apr-2024	8 836	9 032	
8 915	Dominican Republic USD	7.450	30-Apr-2044	12 252	12 714	
				21 088	21 746	2.6
Ecuador						
3 375	Government of Ecuador USD	10.750	28-Mar-2022	4 874	4 667	
6 275	Government of Ecuador USD	7.950	20-Jun-2024	7 766	7 593	
5 225	Government of Ecuador USD	7.875	23-Jan-2028	6 032	5 831	
				18 672	18 091	2.2
Egypt						
3 320	Arab Republic of Egypt USD	6.125	31-Jan-2022	4 383	4 459	
3 350	Arab Republic of Egypt USD	5.875	11-Jun-2025	4 217	4 172	
1 450	Arab Republic of Egypt EUR	4.750	16-Apr-2026	2 015	2 061	
5 050	Arab Republic of Egypt USD	7.500	31-Jan-2027	7 038	6 609	
3 075	Arab Republic of Egypt USD	8.500	31-Jan-2047	3 961	3 807	
				21 614	21 108	2.6
El Salvador						
6 100	Republic of El Salvador USD	7.650	15-Jun-2035	7 623	7 926	
				7 623	7 926	1.0
Ethiopia						
650	Government of Ethiopia USD	6.625	11-Dec-2024	838	853	
				838	853	0.1
Gabon						
1 355	Gabonese Republic USD	6.375	12-Dec-2024	1 642	1 665	
				1 642	1 665	0.2
Georgia						
1 950	Georgia Government USD	6.875	12-Apr-2021	2 732	2 803	
2 365	Georgian Railway JSC USD	7.750	11-Jul-2022	3 401	3 349	
				6 133	6 152	0.7
Ghana						
3 025	Republic of Ghana USD	7.875	07-Aug-2023	4 005	4 060	
				4 005	4 060	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Guatemala						
625	Republic of Guatemala USD	5.750	06-Jun-2022	\$ 811	\$ 885	
4 600	Republic of Guatemala USD	4.500	03-May-2026	6 034	5 911	
				6 845	6 796	0.8
Honduras						
3 750	Honduras Government USD	6.250	19-Jan-2027	5 112	5 069	
				5 112	5 069	0.6
Hungary						
6 850	Hungary Government USD	5.375	25-Mar-2024	9 760	10 045	
1 400	Hungary Government USD	7.625	29-Mar-2041	2 542	2 691	
				12 302	12 736	1.5
India						
1 075	NTPC Ltd. USD	5.625	14-Jul-2021	1 419	1 529	
4 200	Export-Import Bank of India USD	3.375	05-Aug-2026	5 238	5 281	
2 400	Export-Import Bank of India USD	3.875	01-Feb-2028	2 953	3 079	
				9 610	9 889	1.2
Indonesia						
760	Government of Indonesia USD	4.875	05-May-2021	965	1 062	
4 700	Government of Indonesia USD	4.125	15-Jan-2025	6 351	6 334	
5 460	Government of Indonesia USD	5.250	17-Jan-2042	7 347	7 524	
2 940	Pelabuhan Indonesia II PT USD	5.375	05-May-2045	3 690	3 587	
4 875	Pertamina Persero PT USD	5.625	20-May-2043	5 834	6 319	
3 775	Perusahaan Gas Negara Persero PT USD	5.125	16-May-2024	5 236	5 162	
5 000	Perusahaan Listrik Negara PT USD	5.500	22-Nov-2021	5 943	7 056	
				35 366	37 044	4.5
Ivory Coast						
4 634	Ivory Coast Government USD	5.750	31-Dec-2032	5 359	5 601	
				5 359	5 601	0.7
Jamaica						
2 300	Jamaica Government USD	7.625	09-Jul-2025	3 583	3 538	
2 685	Jamaica Government USD	6.750	28-Apr-2028	3 880	3 927	
2 425	Jamaica Government USD	7.875	28-Jul-2045	3 757	3 785	
				11 220	11 250	1.4
Jordan						
5 855	Jordan Government USD	6.125	29-Jan-2026	7 656	7 691	
				7 656	7 691	0.9
Kazakhstan						
5 095	Government of Kazakhstan USD	5.125	21-Jul-2025	7 033	7 373	
6 815	Government of Kazakhstan USD	4.875	14-Oct-2044	8 456	9 298	
2 125	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	2 775	2 831	
				18 264	19 502	2.4
Kenya						
1 950	Kenya Government USD	6.875	24-Jun-2024	2 560	2 511	
1 575	Kenya Government USD	7.250	28-Feb-2028	2 025	1 930	
				4 585	4 441	0.5
Lebanon						
1 700	Lebanon Government USD	5.450	28-Nov-2019	2 088	2 243	
				2 088	2 243	0.3
Malaysia						
7 507	1MDB Energy Ltd. USD	5.990	11-May-2022	10 609	10 394	
3 085	Petronas Capital Ltd. USD	3.500	18-Mar-2025	4 155	4 149	
700	Petronas Capital Ltd. USD	4.500	18-Mar-2045	900	962	
				15 664	15 505	1.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Mexico						
2 775	Banco Nacional de Comercio Exterior SNC USD	3.800	11-Aug-2026	\$ 3 530	\$ 3 627	
2 075	Cemex S.A.B. de C.V. USD	5.700	11-Jan-2025	2 902	2 723	
1 275	Comision Federal de Electricidad USD	4.875	26-May-2021	1 610	1 758	
1 900	Mexico City Airport Trust USD	5.500	31-Jul-2047	2 214	2 292	
9 145	Pemex Project Funding Master Trust USD	6.625	15-Jun-2035	11 627	10 962	
4 500	Petroleos Mexicanos USD	5.375	13-Mar-2022	6 157	6 048	
6 129	United Mexican States USD	5.750	12-Oct-2110	7 778	7 899	
				35 818	35 309	4.3
Mongolia						
4 242	Mongolia Government USD	5.125	05-Dec-2022	5 096	5 452	
				5 096	5 452	0.7
Morocco						
2 825	OCP S.A. USD	5.625	25-Apr-2024	3 680	3 961	
2 705	OCP S.A. USD	6.875	25-Apr-2044	3 742	3 851	
				7 422	7 812	0.9
Nigeria						
735	Nigeria Government USD	6.375	12-Jul-2023	983	966	
5 620	Nigeria Government USD	7.875	16-Feb-2032	7 761	7 004	
1 100	Nigeria Government USD	7.625	28-Nov-2047	1 270	1 270	
				10 014	9 240	1.1
Oman						
5 175	Oman Government USD	4.750	15-Jun-2026	6 738	6 134	
2 215	Oman Government USD	6.500	08-Mar-2047	2 891	2 452	
				9 629	8 586	1.0
Pakistan						
1 300	Pakistan Government USD	8.250	15-Apr-2024	1 817	1 800	
2 200	The Third Pakistan International Sukuk Co. Ltd. USD	5.625	05-Dec-2022	2 699	2 849	
				4 516	4 649	0.6
Panama						
5 200	Republic of Panama USD	7.125	29-Jan-2026	7 591	8 383	
5 219	Republic of Panama USD	6.700	26-Jan-2036	8 031	8 728	
				15 622	17 111	2.1
Paraguay						
4 335	Republic of Paraguay USD	4.625	25-Jan-2023	5 768	5 971	
4 800	Republic of Paraguay USD	6.100	11-Aug-2044	6 531	6 808	
				12 299	12 779	1.6
Peru						
4 250	Corp Financiera de Desarrollo S.A. USD	4.750	08-Feb-2022	5 811	5 882	
11 688	Peruvian Government USD	8.750	21-Nov-2033	23 601	23 632	
				29 412	29 514	3.6
Philippines						
6 495	Republic of Philippines USD	7.750	14-Jan-2031	11 395	11 975	
900	Republic of Philippines USD	3.700	01-Mar-2041	1 063	1 169	
				12 458	13 144	1.6
Poland						
7 680	Government of Poland USD	3.250	06-Apr-2026	10 287	10 311	
				10 287	10 311	1.3
Qatar						
3 425	State of Qatar USD	2.375	02-Jun-2021	4 369	4 576	
6 470	State of Qatar USD	6.400	20-Jan-2040	10 574	11 091	
				14 943	15 667	1.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Romania						
3 989	Romanian Government USD	6.750	07-Feb-2022	\$ 5 709	\$ 5 869	
2 450	Romanian Government USD	6.125	22-Jan-2044	3 914	3 734	
				9 623	9 603	1.2
Russia						
1 475	Gazprom PAO USD	4.950	19-Jul-2022	1 906	2 035	
4 895	Gazprom PAO USD	7.288	16-Aug-2037	7 270	7 472	
6 600	Russian Foreign Bond - Eurobond USD	4.875	16-Sep-2023	8 458	9 205	
6 737	Russian Foreign Bond - Eurobond USD	4.750	27-May-2026	9 142	9 143	
				26 776	27 855	3.4
Rwanda						
6 584	Rwanda International Government USD	6.625	02-May-2023	8 151	8 960	
				8 151	8 960	1.1
Saudi Arabia						
7 195	Saudi Government USD	4.500	17-Apr-2030	9 443	9 807	
				9 443	9 807	1.2
Senegal						
1 575	Senegal Government USD	6.250	30-Jul-2024	2 147	2 100	
1 150	Senegal Government USD	6.750	13-Mar-2048	1 344	1 309	
				3 491	3 409	0.4
Serbia						
9 255	Republic of Serbia USD	7.250	28-Sep-2021	13 795	13 633	
				13 795	13 633	1.7
South Africa						
1 540	Eskom Holdings Ltd. USD	5.750	26-Jan-2021	1 892	1 987	
1 770	Eskom Holdings SOC Ltd. USD	7.125	11-Feb-2025	2 320	2 212	
5 825	Republic of South Africa USD	4.665	17-Jan-2024	7 499	7 797	
1 925	Republic of South Africa USD	4.850	27-Sep-2027	2 380	2 459	
6 055	Republic of South Africa USD	6.250	08-Mar-2041	8 673	8 065	
1 050	Republic of South Africa USD	5.650	27-Sep-2047	1 220	1 282	
4 695	Transnet SOC Ltd. USD	4.000	26-Jul-2022	6 006	6 020	
				29 990	29 822	3.6
Sri Lanka						
5 131	Sri Lanka Government USD	6.250	04-Oct-2020	6 609	6 842	
2 160	Sri Lanka Government USD	5.875	25-Jul-2022	3 071	2 775	
3 400	Sri Lanka Government USD	6.825	18-Jul-2026	4 386	4 318	
				14 066	13 935	1.7
Turkey						
8 440	Export Credit Bank of Turkey USD	5.375	08-Feb-2021	11 124	11 167	
3 225	Export Credit Bank of Turkey USD	5.375	24-Oct-2023	3 902	4 027	
975	Republic of Turkey USD	7.375	05-Feb-2025	1 438	1 379	
1 500	Republic of Turkey USD	6.000	25-Mar-2027	1 763	1 937	
11 990	Republic of Turkey USD	4.875	16-Apr-2043	12 986	12 215	
				31 213	30 725	3.7
Ukraine						
5 520	JSC Ukreximbank USD	9.625	27-Apr-2022	7 341	7 400	
7 530	Ukraine Government USD	7.750	01-Sep-2022	10 027	9 478	
3 050	Ukraine Government USD	7.750	01-Sep-2024	3 725	3 678	
1 100	Ukraine Government USD	7.375	25-Sep-2032	1 204	1 201	
				22 297	21 757	2.6
United Arab Emirates						
2 140	Emirate of Dubai USD	7.750	05-Oct-2020	2 707	3 142	
4 855	Emirate of Dubai USD	5.250	30-Jan-2043	6 150	6 635	
				8 857	9 777	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States						
14 450	United States Treasury	2.250	15-Feb-2027	\$ 17 744	\$ 19 165	
				17 744	19 165	2.3
Uruguay						
3 750	Republic of Uruguay USD	4.500	14-Aug-2024	4 737	5 246	
5 090	Republic of Uruguay USD	7.625	21-Mar-2036	8 252	9 095	
3 000	Republic of Uruguay USD	5.100	18-Jun-2050	3 994	4 039	
				16 983	18 380	2.2
Venezuela						
4 000	Petroleos de Venezuela S.A. USD	6.000	15-Nov-2026	1 398	826	
6 645	Republic of Venezuela USD	7.650	21-Apr-2025	3 915	2 109	
15 880	Republic of Venezuela USD	7.000	31-Mar-2038	8 516	4 986	
				13 829	7 921	1.0
Vietnam						
8 635	Republic of Vietnam USD	4.800	19-Nov-2024	11 026	11 923	
				11 026	11 923	1.5
Zambia						
3 125	Zambia Government USD	8.970	30-Jul-2027	3 444	3 213	
				3 444	3 213	0.4
TOTAL FOREIGN BONDS				770 772	775 669	94.2
TOTAL INVESTMENTS				797 639	801 787	97.4
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	11	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(24)	—
TOTAL PORTFOLIO				\$ 797 639	801 774	97.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					22 594	2.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 824 368	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 247 Sold CAD 1 700 @ 0.7334	02-Jan-2019	\$ 2
Bought USD 902 Sold EUR 785 @ 1.1496	25-Jan-2019	2
Bought EUR 2 880 Sold USD 3 306 @ 0.8712	06-Feb-2019	6
Bought USD 678 Sold EUR 589 @ 1.1506	08-Feb-2019	1
		\$ 11
Contracts	Maturity Date	Unrealized Loss
Bought USD 1 257 Sold EUR 1 100 @ 1.1424	11-Jan-2019	\$ (6)
Bought USD 261 Sold EUR 229 @ 1.1385	16-Jan-2019	(3)
Bought USD 1 615 Sold EUR 1 411 @ 1.1449	14-Mar-2019	(15)
		\$ (24)
TOTAL FOREIGN EXCHANGE		\$ (13)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 801 787	\$ 806 676
Cash	17 202	6 259
Subscriptions receivable	2 286	3 252
Unrealized gain on foreign exchange contracts	11	—
Dividends receivable, interest accrued and other assets	12 390	10 864
TOTAL ASSETS	833 676	827 051
LIABILITIES		
Due to investment dealers	7 795	—
Redemptions payable	1 238	602
Unrealized loss on foreign exchange contracts	24	26
Distributions payable	1	—
Accounts payable and accrued expenses	250	302
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	9 308	930
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 824 368	\$ 826 121
Investments at cost	\$ 797 639	\$ 801 530
NAV		
SERIES A	\$ 34 811	\$ 44 235
ADVISOR SERIES	\$ 17 815	\$ 24 656
SERIES D	\$ 15 773	\$ 17 858
SERIES F	\$ 120 529	\$ 148 733
SERIES O	\$ 635 440	\$ 590 639
NAV PER UNIT		
SERIES A	\$ 11.25	\$ 11.25
ADVISOR SERIES	\$ 11.23	\$ 11.23
SERIES D	\$ 11.38	\$ 11.38
SERIES F	\$ 11.22	\$ 11.22
SERIES O	\$ 11.23	\$ 11.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ —	\$ 38
Interest for distribution purposes	46 968	39 951
Income from investment trusts	1 034	1 150
Derivative income	(153)	(292)
Net realized gain (loss) on investments	(1 924)	13 910
Change in unrealized gain (loss) on investments	(985)	(36 182)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	44 940	18 575
Securities lending revenue (see note 7 in the generic notes)	207	187
Net gain (loss) on foreign cash balances	683	(361)
TOTAL OTHER INCOME (LOSS)	890	(174)
TOTAL INCOME (LOSS)	45 830	18 401
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 080	2 306
Administration fees	859	771
Independent Review Committee costs	2	3
GST/HST	334	351
Transaction costs	3	5
Withholding tax	145	173
TOTAL EXPENSES	3 423	3 609
INCREASE (DECREASE) IN NAV	\$ 42 407	\$ 14 792
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 198	\$ 275
ADVISOR SERIES	\$ 597	\$ 282
SERIES D	\$ 654	\$ 187
SERIES F	\$ 5 243	\$ 1 966
SERIES O	\$ 34 715	\$ 12 082
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.35	\$ 0.07
ADVISOR SERIES	\$ 0.32	\$ 0.12
SERIES D	\$ 0.44	\$ 0.12
SERIES F	\$ 0.41	\$ 0.17
SERIES O	\$ 0.60	\$ 0.26

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 42 407	\$ 14 792
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	1 930	(13 906)
Change in unrealized loss (gain) on investments	985	36 182
(Increase) decrease in accrued receivables	(1 526)	(1 352)
Increase (decrease) in accrued payables	(52)	25
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(306 199)	(505 516)
Proceeds from sale and maturity of investments	315 955	351 975
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	53 500	(117 800)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	189 493	262 993
Cash paid on redemption of redeemable units	(221 373)	(136 378)
Distributions paid to holders of redeemable units	(10 677)	(13 002)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (42 557)	\$ 113 613
Net increase (decrease) in cash for the period	10 943	(4 187)
Cash (bank overdraft), beginning of period	6 259	10 446
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 17 202	\$ 6 259
Interest received (paid)	\$ 45 465	\$ 38 637
Dividends received, net of withholding taxes	\$ —	\$ 977

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 44 235	\$ 47 698	\$ 24 656	\$ 30 789	\$ 17 858	\$ 18 247	\$ 148 733	\$ 122 035
INCREASE (DECREASE) IN NAV	1 198	275	597	282	654	187	5 243	1 966
Early redemption fees	—	—	—	—	—	—	3	—
Proceeds from redeemable units issued	4 204	13 904	1 254	4 134	5 583	7 482	35 755	64 550
Reinvestments of distributions to holders of redeemable units	1 325	2 081	617	1 013	638	899	1 777	2 499
Redemption of redeemable units	(14 747)	(17 528)	(8 554)	(10 317)	(8 239)	(7 983)	(64 729)	(34 376)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(9 218)	(1 543)	(6 683)	(5 170)	(2 018)	398	(27 194)	32 673
Distributions from net income	(1 404)	(1 626)	(755)	(928)	(721)	(749)	(6 253)	(6 011)
Distributions from net gains	—	(569)	—	(317)	—	(225)	—	(1 930)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 404)	(2 195)	(755)	(1 245)	(721)	(974)	(6 253)	(7 941)
NET INCREASE (DECREASE) IN NAV	(9 424)	(3 463)	(6 841)	(6 133)	(2 085)	(389)	(28 204)	26 698
NAV AT END OF PERIOD	\$ 34 811	\$ 44 235	\$ 17 815	\$ 24 656	\$ 15 773	\$ 17 858	\$ 120 529	\$ 148 733

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 590 639	\$ 475 023	\$ 826 121	\$ 693 792
INCREASE (DECREASE) IN NAV	34 715	12 082	42 407	14 792
Early redemption fees	—	—	3	—
Proceeds from redeemable units issued	144 583	181 755	191 379	271 825
Reinvestments of distributions to holders of redeemable units	28 825	28 709	33 182	35 201
Redemption of redeemable units	(128 595)	(71 082)	(224 864)	(141 286)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	44 813	139 382	(300)	165 740
Distributions from net income	(34 727)	(28 293)	(43 860)	(37 607)
Distributions from net gains	—	(7 555)	—	(10 596)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(34 727)	(35 848)	(43 860)	(48 203)
NET INCREASE (DECREASE) IN NAV	44 801	115 616	(1 753)	132 329
NAV AT END OF PERIOD	\$ 635 440	\$ 590 639	\$ 824 368	\$ 826 121

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and capital growth by investing primarily in government debt securities of emerging market countries.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	2.5	3.2
AA	3.4	1.4
A	7.0	4.7
BBB	31.9	34.5
BB	23.2	32.6
B	25.8	17.5
CCC	3.2	3.0
D	1.0	0.2
Unrated	2.0	2.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Indonesia	4.5	5.1
Mexico	4.3	5.1
Turkey	3.7	3.1
Peru	3.6	3.8
South Africa	3.6	2.6
Russia	3.4	4.2
Underlying Funds	3.2	1.9
Colombia	3.0	2.4
Argentina	2.7	3.0
Dominican Republic	2.6	3.0
Kazakhstan	2.4	2.5
China	2.3	2.8
United States	2.3	3.1
Uruguay	2.2	2.1
Panama	2.1	2.4
Malaysia	1.9	2.0
Qatar	1.9	1.4
Serbia	1.7	2.3
Philippines	1.6	1.3
Brazil	1.5	3.3

	December 31 2018	December 31 2017
Investment mix		
Hungary	1.5	2.1
Vietnam	1.5	1.4
Chile	1.2	1.2
Croatia	1.2	2.6
Romania	1.2	1.5
Venezuela	1.0	0.7
Other Countries	35.3	30.7
Cash/Other	2.6	2.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	0.6	0.8
1 – 5 years	26.5	33.6
5 – 10 years	37.8	36.6
> 10 years	35.1	29.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 6.5% (December 31, 2017 – 6.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.9	99.6
Total	99.9	99.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	26 118	–	–	26 118
Fixed-income				
and debt securities	–	775 669	–	775 669
Short-term investments	–	–	–	–
Derivatives – assets	–	11	–	11
Derivatives – liabilities	–	(24)	–	(24)
Total financial instruments	26 118	775 656	–	801 774
% of total portfolio	3.3	96.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	15 842	–	–	15 842
Fixed-income				
and debt securities	–	790 834	–	790 834
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(26)	–	(26)
Total financial instruments	15 842	790 808	–	806 650
% of total portfolio	2.0	98.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.10%
Advisor Series	1.50%	0.10%
Series D	0.90%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares J.P. Morgan USD Emerging Markets Bond Fund	1.6	0.1	0.7	–
VanEck Vectors J.P. Morgan EM Local Currency Bond Fund	1.6	0.2	1.2	0.2

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	1 798
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	3 931	4 074
Issued number of units	379	1 171
Reinvested number of units	120	180
Redeemed number of units	(1 335)	(1 494)
Ending number of units	3 095	3 931
Advisor Series		
Opening units	2 195	2 634
Issued number of units	114	353
Reinvested number of units	56	88
Redeemed number of units	(778)	(880)
Ending number of units	1 587	2 195
Series D		
Opening units	1 569	1 541
Issued number of units	498	626
Reinvested number of units	57	77
Redeemed number of units	(738)	(675)
Ending number of units	1 386	1 569
Series F		
Opening units	13 255	10 457
Issued number of units	3 238	5 511
Reinvested number of units	161	217
Redeemed number of units	(5 913)	(2 930)
Ending number of units	10 741	13 255

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	52 610	40 674
Issued number of units	13 064	15 548
Reinvested number of units	2 617	2 494
Redeemed number of units	(11 685)	(6 106)
Ending number of units	56 606	52 610

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	3	100	5	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Fair value of securities loaned	104 557		85 496	
Fair value of collateral received	106 648		87 206	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	275	100	269	100
RBC IS (paid)	(68)	(25)	(77)	(29)
Tax withheld	—	—	(5)	(2)
Fund revenue	207	75	187	69

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC U.S. Strategic Income Bond Fund	0.9	—
RBC Emerging Markets Bond Fund (CAD Hedged)	1.2	0.6
RBC Global Corporate Bond Fund	28.1	25.1
RBC Monthly Income Bond Fund	5.5	7.1
RBC Strategic Income Bond Fund	19.4	15.4
RBC Total Return Growth Fund	—	—
RBC U.S. Monthly Income Fund	4.0	4.1
Total	59.1	52.3

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	11	(24)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	11	(24)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	11	(24)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	—	(26)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	—	(26)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(26)

Subsequent event

Effective January 1, 2019, administration fees will be reduced as follows: from 0.10% to 0.05% for Series A, Advisor Series, Series D and Series F units; and from 0.10% to 0.02% for Series O units.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EMERGING MARKETS BOND FUND (CAD HEDGED)

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
872 126	RBC Emerging Markets Bond Fund*	\$ 9 817	\$ 9 790	
TOTAL UNDERLYING FUNDS		9 817	9 790	103.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	29	0.3
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(381)	(4.0)
TOTAL PORTFOLIO		<u>\$ 9 817</u>	9 438	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(2)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 9 436</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 33 Sold CAD 44 @ 0.7454	10-Jan-2019	\$ 1
Bought CAD 90 Sold USD 66 @ 1.3612	11-Jan-2019	—
Bought USD 99 Sold CAD 135 @ 0.7358	11-Jan-2019	1
Bought USD 322 Sold CAD 425 @ 0.7575	16-Jan-2019	15
Bought USD 50 Sold CAD 65 @ 0.7692	18-Jan-2019	3
Bought USD 35 Sold CAD 45 @ 0.7723	18-Jan-2019	2
Bought USD 87 Sold CAD 115 @ 0.7578	18-Jan-2019	4
Bought CAD 25 Sold USD 19 @ 1.3395	11-Feb-2019	—
Bought USD 71 Sold CAD 95 @ 0.7507	11-Feb-2019	2
Bought USD 37 Sold CAD 49 @ 0.7525	13-Feb-2019	1
		<u>\$ 29</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 794 Sold USD 609 @ 1.3035	10-Jan-2019	\$ (37)
Bought CAD 195 Sold USD 147 @ 1.3229	10-Jan-2019	(6)
Bought CAD 1 342 Sold USD 1 030 @ 1.3026	11-Jan-2019	(64)
Bought CAD 1 271 Sold USD 980 @ 1.2964	16-Jan-2019	(67)
Bought CAD 713 Sold USD 557 @ 1.2800	18-Jan-2019	(47)
Bought CAD 996 Sold USD 747 @ 1.3334	11-Feb-2019	(23)
Bought CAD 440 Sold USD 329 @ 1.3356	11-Feb-2019	(9)
Bought CAD 1 289 Sold USD 984 @ 1.3088	13-Feb-2019	(54)
Bought CAD 85 Sold USD 63 @ 1.3399	13-Feb-2019	(2)
Bought CAD 695 Sold USD 526 @ 1.3222	19-Feb-2019	(22)
Bought CAD 115 Sold USD 87 @ 1.3224	19-Feb-2019	(4)
Bought CAD 1 287 Sold USD 961 @ 1.3398	19-Mar-2019	(22)
Bought CAD 997 Sold USD 749 @ 1.3313	21-Mar-2019	(24)
		<u>\$ (381)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (352)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 9 790	\$ 4 955
Cash	14	12
Subscriptions receivable	4	3
Unrealized gain on foreign exchange contracts	29	121
TOTAL ASSETS	9 837	5 091
LIABILITIES		
Redemptions payable	13	—
Unrealized loss on foreign exchange contracts	381	40
Accounts payable and accrued expenses	7	4
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	401	44
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 9 436	\$ 5 047
Investments at cost	\$ 9 817	\$ 5 118
NAV		
SERIES A	\$ 1 297	\$ 574
ADVISOR SERIES	\$ 42	\$ 26
SERIES D	\$ 177	\$ 95
SERIES F	\$ 6 958	\$ 3 722
SERIES O	\$ 962	\$ 630
NAV PER UNIT		
SERIES A	\$ 8.59	\$ 9.41
ADVISOR SERIES	\$ 8.58	\$ 9.40
SERIES D	\$ 8.57	\$ 9.39
SERIES F	\$ 8.58	\$ 9.39
SERIES O	\$ 8.62	\$ 9.44

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 480	\$ 234
Derivative income	(355)	14
Net realized gain (loss) on investments	(70)	(6)
Change in unrealized gain (loss) on investments	(297)	(62)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(242)	180
Net gain (loss) on foreign cash balances	1	7
TOTAL OTHER INCOME (LOSS)	1	7
TOTAL INCOME (LOSS)	(241)	187
EXPENSES (see notes – Fund Specific Information)		
Management fees	65	21
Administration fees	1	1
Independent Review Committee costs	2	3
GST/HST	9	2
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	75	24
INCREASE (DECREASE) IN NAV	\$ (316)	\$ 163
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (52)	\$ 3
ADVISOR SERIES	\$ (1)	\$ 1
SERIES D	\$ (7)	\$ 2
SERIES F	\$ (227)	\$ 122
SERIES O	\$ (29)	\$ 35
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.40)	\$ 0.35
ADVISOR SERIES	\$ (0.43)	\$ 0.40
SERIES D	\$ (0.39)	\$ 0.43
SERIES F	\$ (0.33)	\$ 0.47
SERIES O	\$ (0.27)	\$ 0.75



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (316)	\$ 163
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(480)	(234)
Net realized loss (gain) on investments	70	6
Change in unrealized loss (gain) on investments	297	62
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	3	4
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(6 955)	(11 681)
Proceeds from sale and maturity of investments	2 666	7 267
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(4 715)	(4 413)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	7 760	7 699
Cash paid on redemption of redeemable units	(2 840)	(3 141)
Distributions paid to holders of redeemable units	(203)	(135)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 4 717	\$ 4 423
Net increase (decrease) in cash for the period	2	10
Cash (bank overdraft), beginning of period	12	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 14	\$ 12
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 574	\$ 19	\$ 26	\$ 1	\$ 95	\$ 1	\$ 3 722	\$ 179
INCREASE (DECREASE) IN NAV	(52)	3	(1)	1	(7)	2	(227)	122
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	1 069	609	29	25	188	133	5 580	6 390
Reinvestments of distributions to holders of redeemable units	46	19	1	1	8	4	136	114
Redemption of redeemable units	(293)	(58)	(12)	—	(99)	(41)	(1 961)	(2 871)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	822	570	18	26	97	96	3 755	3 633
Distributions from net income	(47)	(5)	(1)	(1)	(8)	(2)	(292)	(118)
Distributions from net gains	—	(13)	—	(1)	—	(2)	—	(94)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(47)	(18)	(1)	(2)	(8)	(4)	(292)	(212)
NET INCREASE (DECREASE) IN NAV	723	555	16	25	82	94	3 236	3 543
NAV AT END OF PERIOD	\$ 1 297	\$ 574	\$ 42	\$ 26	\$ 177	\$ 95	\$ 6 958	\$ 3 722

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 630	\$ 248	\$ 5 047	\$ 448
INCREASE (DECREASE) IN NAV	(29)	35	(316)	163
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	895	545	7 761	7 702
Reinvestments of distributions to holders of redeemable units	14	10	205	148
Redemption of redeemable units	(488)	(171)	(2 853)	(3 141)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	421	384	5 113	4 709
Distributions from net income	(60)	(24)	(408)	(150)
Distributions from net gains	—	(13)	—	(123)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(60)	(37)	(408)	(273)
NET INCREASE (DECREASE) IN NAV	332	382	4 389	4 599
NAV AT END OF PERIOD	\$ 962	\$ 630	\$ 9 436	\$ 5 047



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and capital growth by investing primarily in government debt securities of emerging-market countries, either directly or indirectly through investment in other funds managed by RBC GAM or an affiliate, while minimizing the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC Emerging Markets Bond Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	2.5	3.2
AA	3.4	1.4
A	7.0	4.7
BBB	31.9	34.5
BB	23.2	32.6
B	25.8	17.5
CCC	3.2	3.0
D	1.0	0.2
Unrated	2.0	2.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	103.7	98.2
Cash/Other	(3.7)	1.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.6	0.8
1 – 5 years	26.5	33.6
5 – 10 years	37.8	36.6
> 10 years	35.1	29.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.0% (December 31, 2017 – 6.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	9 790	–	–	9 790
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	29	–	29
Derivatives – liabilities	–	(381)	–	(381)
Total financial instruments	9 790	(352)	–	9 438
% of total portfolio	103.7	(3.7)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	4 955	–	–	4 955
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	121	–	121
Derivatives – liabilities	–	(40)	–	(40)
Total financial instruments	4 955	81	–	5 036
% of total portfolio	98.4	1.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series D	0.90%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	113	109
Advisor Series	114	109
Series D	116	110
Series F	116	110
Series O	115	109
Value of all units	5	5

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets Bond Fund	103.8	1.2	98.2	0.6

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	332
Non-capital losses	—

Please see the generic notes at the back of the financial statements.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	61	2
Issued number of units	118	63
Reinvested number of units	5	2
Redeemed number of units	(33)	(6)
Ending number of units	151	61
Advisor Series		
Opening units	3	—
Issued number of units	3	3
Reinvested number of units	—	—
Redeemed number of units	(1)	—
Ending number of units	5	3
Series D		
Opening units	10	—
Issued number of units	21	14
Reinvested number of units	1	—
Redeemed number of units	(11)	(4)
Ending number of units	21	10
Series F		
Opening units	396	19
Issued number of units	623	661
Reinvested number of units	15	12
Redeemed number of units	(223)	(296)
Ending number of units	811	396
Series O		
Opening units	67	27
Issued number of units	99	56
Reinvested number of units	2	1
Redeemed number of units	(56)	(17)
Ending number of units	112	67



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	29	(381)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	29	(381)
Related amounts not set-off	(29)	29
Collateral (received) pledged	–	–
Net amount	–	(352)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	121	(40)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	121	(40)
Related amounts not set-off	(21)	21
Collateral (received) pledged	–	–
Net amount	100	(19)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
BLUEBAY GLOBAL MONTHLY INCOME BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets		
EQUITIES						
Australia						
3 895 545	Paladin Resources Ltd.	\$ 1 325	\$ 674			
1 024 754	Quintis Ltd.*	—	1 623			
		1 325	2 297	0.1		
Brazil						
4 201	Oi S.A. ADR	538	9			
		538	9	—		
France						
99	Carrefour S.A., Call @ 14.00 December 20, 2019	19	30			
270	Carrefour S.A., Call @ 18.00 December 20, 2019	58	22			
471	Total S.A., Call @ 52.00 December 18, 2020	296	167			
86	Vinci S.A., Call @ 80.00 December 20, 2019	81	37			
		454	256	—		
Italy						
161	ENI S.p.A., Call @ 16.00 December 19, 2019	70	32			
		70	32	—		
Spain						
2 150	Iberdrola S.A., Call @ 6.50 December 18, 2020	140	249			
		140	249	—		
United Kingdom						
58	Glencore Plc., Call @ 3.50 March 15, 2019	35	4			
20 337	TechnipFMC Plc.	871	559			
		906	563	—		
United States						
645	Crown Castle International Corp., Preferred Series A, 6.875%	844	926			
33 220	T-Mobile US Inc.	2 580	2 886			
133 263	Valencia Bidco LLC* (Private)	365	227			
		3 789	4 039	0.2		
		7 222	7 445	0.3		
TOTAL EQUITIES						
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Argentina						
2 427	Agua y Saneamientos Argentinos S.A. USD	6.625	01-Feb-2023	\$ 2 856	\$ 2 386	
44 874	Argentine Bonos del Tesoro ARS	18.200	03-Oct-2021	3 337	1 326	
1 640	Province of Jujuy Argentina USD	8.625	20-Sep-2022	1 957	1 657	
10 464	Provincia de Buenos Aires ARS	0.000	12-Apr-2025	661	374	
6 500	Republic of Argentina USD	2.500	31-Dec-2038	4 860	4 919	
862	Republic of Argentina USD	7.625	22-Apr-2046	874	858	
6 903	Republic of Argentina USD	6.875	11-Jan-2048	6 943	6 580	
25 412	YPF S.A. ARS	16.500	09-May-2022	2 253	608	
				23 741	18 708	1.1
Australia						
339	Paladin Energy Ltd. USD	9.000	25-Jan-2023	419	423	
900	Seven Group Holdings Ltd., Convertible AUD	2.200	05-Mar-2025	898	792	
1 593	Quintis Australia Pty Ltd. USD	7.500	01-Oct-2026	2 134	2 175	
1 998	Quintis Australia Pty Ltd. USD	0.000	01-Oct-2028	3 335	1 691	
				6 786	5 081	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Austria						
1 820	JBS Investments II GmbH USD	7.000	15-Jan-2026	\$ 2 364	\$ 2 441	
				2 364	2 441	0.1
Bahamas						
3 310	Bahamas Government USD	6.000	21-Nov-2028	4 328	4 586	
				4 328	4 586	0.3
Bahrain						
1 390	Bahrain Government USD	6.000	19-Sep-2044	1 570	1 615	
				1 570	1 615	0.1
Belarus						
5 270	Republic of Belarus USD	6.875	28-Feb-2023	7 126	7 358	
				7 126	7 358	0.4
Bermuda						
471	Golar LNG Ltd., Convertible USD	2.750	15-Feb-2022	621	594	
				621	594	—
Bolivia						
3 335	Bolivian Government USD	4.500	20-Mar-2028	4 211	3 912	
				4 211	3 912	0.2
Brazil						
11 529	Brazil Notas do Tesouro Nacional Serie F BRL	10.000	01-Jan-2021	4 836	4 250	
56 853	Brazil Notas do Tesouro Nacional Serie F BRL	10.000	01-Jan-2023	21 930	20 990	
1 441	Cemig Geracao e Transmissao S.A. USD	9.250	05-Dec-2024	1 885	2 101	
204	Centrais Eletricas Brasileiras S.A. USD	5.750	27-Oct-2021	259	281	
6 121	Eldorado Intl. Finance GmbH USD	8.625	16-Jun-2021	8 279	8 691	
1 315	Fibria Overseas Finance Ltd. USD	4.000	14-Jan-2025	1 604	1 700	
787	Petrobras Global Finance BV USD	8.750	23-May-2026	1 154	1 207	
1 573	Petrobras Global Finance BV USD	7.375	17-Jan-2027	2 165	2 211	
390	Petrobras Global Finance BV USD	6.850	05-Jun-2115	453	478	
5 680	Republic of Brazil USD	5.000	27-Jan-2045	6 037	6 802	
12 310	Swiss Insured Brazil Power Finance Sarl BRL	9.850	16-Jul-2032	4 618	4 369	
				53 220	53 080	3.1
Canada						
3 824	Bausch Health Co. Inc. USD	5.875	15-May-2023	4 186	4 848	
2 722	Bausch Health Co. Inc. USD	9.000	15-Dec-2025	3 450	3 711	
1 700	Bausch Health Co. Inc. USD	9.250	01-Apr-2026	2 368	2 327	
2 400	Intertape Polymer Group Inc. USD	7.000	15-Oct-2026	3 128	3 244	
652	MEG Energy Corp. USD	7.000	31-Mar-2024	745	855	
2 625	Telesat Canada USD	8.875	15-Nov-2024	3 721	3 736	
1 207	Valeant Pharmaceuticals International Inc. USD	8.500	31-Jan-2027	1 554	1 602	
				19 152	20 323	1.2
Chile						
1 780 000	Bonos de la Tesoreria de la Republica en Pesos CLP	4.500	01-Mar-2026	3 610	3 624	
1 005 000	Bonos de la Tesoreria de la Republica en pesos CLP	5.000	01-Mar-2035	2 143	2 102	
1 230	Empresa Nacional del Petroleo USD	5.250	06-Nov-2029	1 612	1 710	
2 575	Republic of Chile USD	3.240	06-Feb-2028	3 168	3 386	
				10 533	10 822	0.6
China						
34 000	China Evergrande Group, Convertible HKD	4.250	14-Feb-2023	5 201	5 215	
1 665	China Government USD	3.250	19-Oct-2023	2 163	2 296	
2 145	China Minmetals Corp. USD	4.450	Perpetual	2 787	2 864	
16 000	China Railway Construction Corp. Ltd., Convertible CNY	1.500	21-Dec-2021	3 065	3 155	
1 150	China Yangtze Power International BVI 1 Ltd., Convertible USD	0.000	09-Nov-2021	1 567	1 685	
22 000	CIFI Holdings Group Co. Ltd. CNY	7.750	20-Sep-2020	4 179	4 351	
3 750	CRRC Corp Ltd., Convertible USD	0.000	05-Feb-2021	4 992	5 132	
2 475	Ctrip.com International Ltd., Convertible USD	1.990	01-Jul-2025	3 471	3 273	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
China (cont.)						
4 000	Fantasia Holdings Group Co. Ltd. CNY	9.500	04-May-2019	\$ 797	\$ 779	
18 000	Harvest International Co., Convertible HKD	0.000	21-Nov-2022	2 958	2 970	
1 849	Huazhu Group Ltd., Convertible USD	0.375	01-Nov-2022	2 504	2 475	
13 260	Industrial & Commercial Bank of China Ltd. CNY	6.000	Perpetual	2 663	2 668	
4 000	Kunlun Energy Co. Ltd., Convertible CNY	1.625	25-Jul-2019	808	998	
2 288	Logan Property Holdings Co. Ltd. SGD	6.125	16-Apr-2021	2 192	2 197	
3 137	Shanghai Port Group BVI Holding Co. Ltd., Convertible USD	0.000	09-Aug-2021	4 027	4 255	
4 540	Sinochem Offshore Capital Co. Ltd. CNY	4.400	14-Feb-2021	899	917	
319	Strategic International Group Ltd., Convertible EUR	0.000	21-Jul-2022	560	546	
711	Vipshop Holdings Ltd., Convertible USD	1.500	15-Mar-2019	1 014	959	
7 000	Zhongsheng Group Holdings Ltd., Convertible HKD	0.000	23-May-2023	1 146	1 125	
				46 993	47 860	2.8
Colombia						
5 873 000	Bogota Distrito Capital COP	9.750	26-Jul-2028	2 904	2 690	
27 092 500	Colombian TES COP	10.000	24-Jul-2024	13 766	13 418	
3 001 500	Colombian TES COP	6.000	28-Apr-2028	1 205	1 197	
13 034 100	Colombian TES COP	7.000	30-Jun-2032	5 800	5 410	
4 130	Ecopetrol S.A. USD	5.875	28-May-2045	5 260	5 337	
8 852 000	Empresa de Telecomunicaciones de Bogota COP	7.000	17-Jan-2023	3 255	3 246	
6 529 000	Empresas Publicas de Medellin E.S.P. COP	7.625	10-Sep-2024	3 009	2 688	
9 255 000	Empresas Publicas de Medellin E.S.P. COP	8.375	08-Nov-2027	4 001	3 769	
				39 200	37 755	2.2
Costa Rica						
1 045	Costa Rica Government USD	4.250	26-Jan-2023	1 252	1 260	
1 883	Costa Rica Government USD	5.625	30-Apr-2043	1 896	1 959	
				3 148	3 219	0.2
Czech Republic						
187 070	Czech Republic Government CZK	0.450	25-Oct-2023	10 331	10 702	
				10 331	10 702	0.6
Denmark						
1 760	Danske Bank A/S USD	7.000	Perpetual	2 343	2 179	
				2 343	2 179	0.1
Dominican Republic						
3 450	Dominican Republic USD	7.500	06-May-2021	4 703	4 875	
250	Dominican Republic USD	6.875	29-Jan-2026	349	359	
1 676	Dominican Republic USD	6.000	19-Jul-2028	2 188	2 282	
1 502	Dominican Republic USD	6.850	27-Jan-2045	1 982	2 022	
2 932	Dominican Republic USD	6.500	15-Feb-2048	3 747	3 795	
				12 969	13 333	0.8
Ecuador						
154	EP PetroEcuador USD	7.925	24-Sep-2019	182	211	
1 853	Government of Ecuador USD	7.950	20-Jun-2024	2 230	2 242	
1 265	Government of Ecuador USD	8.875	23-Oct-2027	1 574	1 493	
4 681	Government of Ecuador USD	7.875	23-Jan-2028	5 518	5 224	
1 615	Petroamazonas EP USD	4.625	06-Nov-2020	1 958	2 059	
				11 462	11 229	0.6
Egypt						
3 375	Arab Republic of Egypt USD	5.577	21-Feb-2023	4 293	4 375	
1 270	Arab Republic of Egypt USD	6.588	21-Feb-2028	1 584	1 554	
1 010	Arab Republic of Egypt EUR	5.625	16-Apr-2030	1 511	1 370	
732	Arab Republic of Egypt USD	7.903	21-Feb-2048	918	865	
				8 306	8 164	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
El Salvador						
2 055	Republic of El Salvador USD	5.875	30-Jan-2025	\$ 2 530	\$ 2 591	
2 127	Republic of El Salvador USD	6.375	18-Jan-2027	2 686	2 684	
760	Republic of El Salvador USD	7.650	15-Jun-2035	1 006	988	
				6 222	6 263	0.4
France						
419	Altice France S.A. EUR	5.875	01-Feb-2027	645	651	
2 300	Altice France S.A. USD	8.125	01-Feb-2027	3 033	2 967	
1 800	Caisse Nationale de Reassurance Mutuelle Agricole Groupama EUR	3.375	24-Sep-2028	2 722	2 597	
14	Elis S.A., Convertible EUR	0.000	06-Oct-2023	935	641	
17	Genfit, Convertible EUR	3.500	16-Oct-2022	744	682	
661	La Financiere Atalian SASU EUR	5.125	15-May-2025	1 031	865	
439	La Financiere Atalian SASU GBP	6.625	15-May-2025	787	632	
8 500	Société Générale S.A. USD	6.750	Perpetual	10 869	9 881	
3 550	Société Générale S.A. USD	8.000	Perpetual	4 463	4 877	
				25 229	23 793	1.4
Germany						
8 304	Deutsche Bank AG USD	2.700	13-Jul-2020	10 604	11 029	
2 900	Deutsche Wohnen SE, Convertible EUR	0.600	05-Jan-2026	4 488	4 799	
700	Fresenius SE & Co. KGaA, Convertible EUR	0.000	24-Sep-2019	1 220	1 149	
1 800	IKB Deutsche Industriebank AG EUR	4.000	31-Jan-2028	2 854	2 681	
2 061	KME AG EUR	6.750	01-Feb-2023	3 158	2 802	
500	LEG Immobilien AG, Convertible EUR	0.875	01-Sep-2025	754	835	
1 214	ProGroup AG EUR	3.000	31-Mar-2026	1 950	1 830	
2 600	RAG-Stiftung, Convertible EUR	0.000	02-Oct-2024	3 995	3 902	
2 250	Siemens Financieringsmaatschappij N.V., Convertible USD	1.650	16-Aug-2019	3 271	3 203	
400	Symrise AG, Convertible EUR	0.238	20-Jun-2024	597	666	
2 533	Unitymedia GmbH EUR	3.750	15-Jan-2027	3 930	4 073	
				36 821	36 969	2.1
Ghana						
4 609	Tullow Oil Plc. USD	7.000	01-Mar-2025	5 960	5 867	
				5 960	5 867	0.3
Greece						
7 720	Hellenic Republic Government EUR	3.750	30-Jan-2028	11 026	11 551	
1 270	Hellenic Republic Government EUR	3.900	30-Jan-2033	1 737	1 812	
11 180	Hellenic Republic Government EUR	4.000	30-Jan-2037	14 583	15 411	
11 190	Hellenic Republic Government EUR	4.200	30-Jan-2042	14 519	15 391	
				41 865	44 165	2.5
Guatemala						
1 435	Guatemala Government USD	4.875	13-Feb-2028	1 826	1 867	
				1 826	1 867	0.1
Honduras						
600	Honduras Government USD	7.500	15-Mar-2024	849	865	
860	Honduras Government USD	6.250	19-Jan-2027	1 113	1 163	
				1 962	2 028	0.1
Hong Kong						
500	Asia View Ltd., Convertible USD	1.500	08-Aug-2019	641	787	
1 605	Bagan Capital Ltd., Convertible USD	0.000	23-Sep-2021	2 121	2 124	
800	China Overseas Finance Investment Cayman V Ltd., Convertible USD	0.000	05-Jan-2023	1 091	1 164	
1 405	CNAC HK Finbridge Co. Ltd. USD	4.625	14-Mar-2023	1 856	1 937	
1 200	CNAC HK Finbridge Co. Ltd. USD	5.125	14-Mar-2028	1 594	1 671	
928	PB Issuer No. 4 Ltd., Convertible USD	3.250	03-Jul-2021	1 164	1 245	
				8 467	8 928	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Hungary						
2 350	Hungary Government USD	6.250	29-Jan-2020	\$ 3 189	\$ 3 304	
763 550	Hungary Government HUF	1.750	26-Oct-2022	3 489	3 740	
1 716	Hungary Government USD	5.375	21-Feb-2023	2 371	2 489	
624	Hungary Government USD	5.750	22-Nov-2023	873	924	
934 420	Hungary Government HUF	3.000	27-Oct-2027	4 316	4 568	
				14 238	15 025	0.9
India						
190 000	Dewan Housing Finance Corp. Ltd. INR	8.500	18-Apr-2023	3 623	3 436	
310 000	HDFC Bank Ltd. INR	8.100	22-Mar-2025	6 219	5 778	
380 000	Housing Development Finance Corp. Ltd. INR	6.875	30-Apr-2020	7 492	7 253	
329 700	Indiabulls Housing Finance Ltd. INR	8.567	15-Oct-2019	6 631	6 369	
				23 965	22 836	1.3
Indonesia						
2 375	Government of Indonesia USD	4.875	05-May-2021	3 162	3 320	
2 290	Government of Indonesia USD	3.850	18-Jul-2027	2 885	2 984	
1 470 000	Indonesia Asahan Aluminium Persero PT USD	5.710	15-Nov-2023	1 904	2 045	
1 030 000	Indonesia Asahan Aluminium Persero PT USD	6.757	15-Nov-2048	1 250	1 445	
20 494 000	Indonesia Treasury IDR	8.375	15-Mar-2024	2 060	1 976	
7 054 000	Indonesia Treasury IDR	7.000	15-May-2027	648	626	
195 000	Indonesia Treasury IDR	8.250	15-May-2029	18	19	
20 549 000	Indonesia Treasury IDR	8.750	15-May-2031	2 175	2 022	
61 483 000	Indonesia Treasury IDR	8.250	15-May-2036	6 272	5 780	
53 119 000	Indonesia Treasury IDR	7.500	15-May-2038	5 029	4 622	
94 020 000	Jasa Marga Persero Tbk PT IDR	7.500	11-Dec-2020	8 701	8 379	
2 569	Minejasa Capital BV USD	5.625	10-Aug-2037	3 253	3 087	
1 310	Pertamina Persero PT USD	5.625	20-May-2043	1 576	1 698	
350	Perusahaan Listrik Negara PT USD	6.150	21-May-2048	457	482	
				39 390	38 485	2.2
Iraq						
443	Republic of Iraq USD	6.752	09-Mar-2023	573	579	
3 937	Republic of Iraq USD	5.800	15-Jan-2028	4 808	4 834	
				5 381	5 413	0.3
Ireland						
1 580	Virgin Media Receivables Financing Notes II DAC GBP	5.750	15-Apr-2023	2 884	2 737	
				2 884	2 737	0.2
Israel						
2 781	Teva Pharmaceutical Finance Netherlands III BV USD	1.700	19-Jul-2019	3 504	3 747	
				3 504	3 747	0.2
Italy						
3 852	Banca Monte dei Paschi di Siena S.p.A. EUR	5.375	18-Jan-2028	5 429	3 537	
51 200	Buoni Poliennali Del Tesoro EUR	2.800	01-Dec-2028	77 939	80 624	
2 077	Fabric BC S.p.A. EUR	3.811	30-Nov-2024	3 239	3 179	
13 093	Intesa Sanpaolo S.p.A. EUR	7.750	Perpetual	20 410	21 508	
900	Prysmian S.p.A., Convertible EUR	0.000	17-Jan-2022	1 377	1 286	
3 940	Rossini Sarl EUR	6.750	30-Oct-2025	5 936	6 136	
1 100	Snam S.p.A., Convertible EUR	0.000	20-Mar-2022	1 641	1 713	
1 288	Telecom Italia Finance S.A. EUR	7.750	24-Jan-2033	2 985	2 524	
2 893	UniCredit S.p.A. USD	5.861	19-Jun-2032	3 365	3 480	
4 200	UniCredit S.p.A. EUR	6.625	Perpetual	6 759	6 198	
4 200	UniCredit S.p.A. EUR	9.250	Perpetual	5 869	7 104	
1 359	Wind Tre S.p.A. EUR	3.125	20-Jan-2025	1 970	1 899	
				136 919	139 188	8.0
Ivory Coast						
685	Ivory Coast Government USD	6.125	15-Jun-2033	758	781	
				758	781	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Japan						
33 000	AEON Financial Service Co. Ltd., Convertible JPY	0.000	13-Sep-2019	\$ 396	\$ 411	
150 000	ANA Holdings Inc., Convertible JPY	0.000	19-Sep-2024	1 732	1 893	
50 000	CyberAgent Inc., Convertible JPY	0.000	19-Feb-2025	671	671	
50 000	Ezaki Glico Co. Ltd., Convertible JPY	0.000	30-Jan-2024	610	636	
220 000	Kansai Paint Co. Ltd., Convertible JPY	0.000	17-Jun-2022	2 672	2 788	
240 000	Kyushu Electric Power Co. Inc., Convertible JPY	0.000	31-Mar-2020	2 852	3 095	
70 000	LINE Corp., Convertible JPY	0.000	19-Sep-2025	776	812	
280 000	Mitsubishi Chemical Holdings Corp., Convertible JPY	0.000	29-Mar-2024	3 442	3 552	
900	Mitsui OSK Lines Ltd., Convertible USD	0.000	24-Apr-2020	1 131	1 154	
50 000	Relo Group Inc., Convertible JPY	0.000	22-Mar-2021	646	640	
50 000	SBI Holdings Inc. JPY	0.000	13-Sep-2023	651	633	
131 000	Sony Corp., Convertible JPY	0.000	30-Sep-2022	1 634	1 959	
100 000	Takashimaya Co. Ltd., Convertible JPY	0.000	06-Dec-2028	1 216	1 252	
30 000	Terumo Corp., Convertible JPY	0.000	06-Dec-2021	385	609	
1 300	The Gunma Bank Ltd., Convertible USD	0.000	11-Oct-2019	1 651	1 715	
1 100	The Shizuoka Bank Ltd., Convertible USD	1.234	25-Jan-2023	1 433	1 449	
60 000	Tohoku Electric Power Co. Inc., Convertible JPY	0.000	03-Dec-2020	676	740	
110 000	Toray Industries Inc., Convertible JPY	0.000	31-Aug-2021	1 447	1 487	
120 000	Yamada Denki Co. Ltd., Convertible JPY	0.000	28-Jun-2019	1 375	1 537	
1 300	Yamaguchi Financial Group Inc., Convertible USD	0.000	26-Mar-2020	1 767	1 749	
				27 163	28 782	1.7
Jordan						
815	Jordan Government USD	6.125	29-Jan-2026	1 105	1 071	
1 410	Jordan Government USD	5.750	31-Jan-2027	1 811	1 776	
				2 916	2 847	0.2
Kazakhstan						
461 500	Development Bank of Kazakhstan JSC KZT	9.500	14-Dec-2020	1 794	1 602	
1 190	KazMunayGas National Co. JSC USD	4.750	24-Apr-2025	1 539	1 614	
1 234	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	1 619	1 644	
1 567	KazMunayGas National Co. JSC USD	5.750	19-Apr-2047	2 034	2 045	
2 555	KazMunayGas National Co. JSC USD	6.375	24-Oct-2048	3 350	3 520	
				10 336	10 425	0.6
Kenya						
2 033	Kenya Government USD	8.250	28-Feb-2048	2 334	2 380	
				2 334	2 380	0.1
Kuwait						
2 670	Kuwait International Government USD	2.750	20-Mar-2022	3 449	3 586	
				3 449	3 586	0.2
Lebanon						
2 094	Lebanon Government USD	6.650	26-Feb-2030	2 064	2 181	
339	Lebanon Government USD	7.050	02-Nov-2035	331	353	
				2 395	2 534	0.1
Luxembourg						
2 259	Altice Financing S.A. USD	6.625	15-Feb-2023	2 995	2 968	
1 274	Altice Finco S.A. USD	7.625	15-Feb-2025	1 515	1 450	
2 520	Altice Finco S.A. EUR	4.750	15-Jan-2028	3 708	3 165	
3 230	Intelsat Jackson Holdings S.A. USD	8.500	15-Oct-2024	4 249	4 299	
1 920	LHMC Finco Sarl EUR	6.250	20-Dec-2023	2 905	3 058	
				15 372	14 940	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Malaysia						
4 880	Cagamas Berhad MYR	4.450	25-Nov-2020	\$ 1 518	\$ 1 628	
21 272	Malaysia Government MYR	4.160	15-Jul-2021	6 826	7 119	
12 671	Malaysia Government MYR	3.757	20-Apr-2023	4 001	4 186	
24 857	Malaysia Government MYR	3.882	14-Mar-2025	7 774	8 172	
9 121	Malaysia Government MYR	3.955	15-Sep-2025	2 922	3 003	
1 250	Petronas Capital Ltd. USD	5.250	12-Aug-2019	1 681	1 729	
7 000	YTL Power International Berhad MYR	4.950	11-Oct-2024	2 213	2 333	
				26 935	28 170	1.6
Mexico						
61 100	America Movil S.A.B. de C.V. MXN	8.460	18-Dec-2036	3 850	3 396	
15 190	Comision Federal de Electricidad MXN	8.180	23-Dec-2027	976	908	
58 250	Mexican Bonos MXN	8.000	07-Dec-2023	3 940	3 953	
29 540	Mexican Bonos MXN	10.000	05-Dec-2024	2 160	2 180	
126 960	Mexican Bonos MXN	5.750	05-Mar-2026	7 167	7 455	
208 960	Mexican Bonos MXN	7.500	03-Jun-2027	13 620	13 493	
149 570	Petroleos Mexicanos MXN	7.470	12-Nov-2026	9 121	7 666	
858	Petroleos Mexicanos USD	5.500	27-Jun-2044	869	891	
3 797	Petroleos Mexicanos USD	5.625	23-Jan-2046	4 085	3 949	
1 410	Petroleos Mexicanos USD	6.750	21-Sep-2047	1 596	1 597	
49 610	Red de Carreteras de Occidente S.A.P.I.B. de C.V. MXN	9.000	10-Jun-2028	3 373	3 137	
1 450	United Mexican States USD	4.350	15-Jan-2047	1 608	1 707	
				52 365	50 332	2.9
Mongolia						
1 465	Mongolia Government USD	10.875	06-Apr-2021	2 177	2 211	
1 870	Mongolia Government USD	5.625	01-May-2023	2 333	2 429	
1 300	Mongolia Government USD	8.750	09-Mar-2024	1 901	1 906	
1 240	Trade & Development Bank of Mongolia LLC USD	9.375	19-May-2020	1 736	1 769	
				8 147	8 315	0.5
Namibia						
1 190	Namibia International USD	5.500	03-Nov-2021	1 575	1 613	
655	Namibia International USD	5.250	29-Oct-2025	781	805	
				2 356	2 418	0.1
Netherlands						
4 800	ABN AMRO Bank N.V. EUR	4.750	Perpetual	7 047	6 565	
1 000	Civitas Properties Finance BV EUR	4.000	24-Nov-2022	1 524	1 525	
5 400	Cooperatieve Rabobank U.A. EUR	4.625	Perpetual	8 243	8 134	
3 607	InterXion Holding N.V. EUR	4.750	15-Jun-2025	5 500	5 798	
2 045	LBC Tank Terminals Holding Netherlands BV USD	6.875	15-May-2023	2 338	2 586	
2 387	NXP Semiconductors N.V., Convertible USD	1.000	01-Dec-2019	3 399	3 269	
1 780	Promontoria Holding 264 BV EUR	6.750	15-Aug-2023	2 711	2 705	
1 000	QIAGEN N.V., Convertible USD	0.875	19-Mar-2021	1 746	1 719	
600	QIAGEN N.V., Convertible USD	1.000	13-Nov-2024	788	815	
1 110	SABIC Capital II BV USD	4.000	10-Oct-2023	1 417	1 511	
540	SABIC Capital II BV USD	4.500	10-Oct-2028	687	735	
3 504	Stichting AK Rabobank Certificaten EUR	6.500	Perpetual	5 327	5 911	
800	STMicroelectronics N.V., Convertible USD	0.000	03-Jul-2022	1 111	1 102	
4 333	Ziggo Secured Finance BV USD	5.500	15-Jan-2027	5 211	5 309	
				47 049	47 684	2.7
New Zealand						
4 138	Reynolds Group Issuer Inc. USD	5.750	15-Oct-2020	5 622	5 642	
				5 622	5 642	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Nigeria						
3 495	Nigeria Government USD	6.750	28-Jan-2021	\$ 4 694	\$ 4 840	
1 665	Nigeria Government USD	7.625	21-Nov-2025	2 204	2 203	
2 193	Nigeria Government USD	6.500	28-Nov-2027	2 772	2 658	
1 160	Nigeria Government USD	7.143	23-Feb-2030	1 470	1 408	
2 120	Nigeria Government USD	8.747	21-Jan-2031	2 806	2 822	
2 688	Nigeria Government USD	7.696	23-Feb-2038	3 332	3 221	
2 091	Nigeria Government USD	7.625	28-Nov-2047	2 570	2 414	
1 015	Nigeria Government USD	9.248	21-Jan-2049	1 344	1 351	
				21 192	20 917	1.2
Norway						
959	Ship Finance International Ltd., Convertible USD	5.750	15-Oct-2021	1 248	1 220	
1 000	Telenor East Holding II A.S., Convertible USD	0.250	20-Sep-2019	1 386	1 331	
				2 634	2 551	0.2
Oman						
2 909	Oman Government USD	4.125	17-Jan-2023	3 663	3 662	
1 320	Oman Government USD	6.500	08-Mar-2047	1 617	1 461	
1 845	Oman Government USD	6.750	17-Jan-2048	2 276	2 086	
				7 556	7 209	0.4
Panama						
1 225	Republic of Panama USD	4.500	16-Apr-2050	1 497	1 607	
				1 497	1 607	0.1
Peru						
7 374	Fondo MIVIVIENDA S.A. PEN	7.000	14-Feb-2024	3 090	3 213	
11 039	Peruvian Government PEN	8.200	12-Aug-2026	5 298	5 254	
5 545	Peruvian Government PEN	6.350	12-Aug-2028	2 268	2 362	
15 426	Peruvian Government PEN	5.940	12-Feb-2029	6 053	6 369	
388	Petroleos del Peru S.A. USD	5.625	19-Jun-2047	508	519	
				17 217	17 717	1.0
Philippines						
1 281	AYC Finance Ltd., Convertible USD	0.500	02-May-2019	1 779	1 794	
2 362	Republic of Philippines USD	4.000	15-Jan-2021	3 171	3 260	
76 000	Republic of Philippines PHP	3.900	26-Nov-2022	1 943	1 846	
				6 893	6 900	0.4
Poland						
8 897	Government of Poland PLN	2.500	25-Jul-2027	3 067	3 194	
20 908	Government of Poland PLN	2.750	25-Apr-2028	7 054	7 589	
				10 121	10 783	0.6
Qatar						
4 820	State of Qatar USD	2.375	02-Jun-2021	6 315	6 440	
1 859	State of Qatar USD	5.103	23-Apr-2048	2 400	2 673	
				8 715	9 113	0.5
Romania						
2 290	Romanian Government RON	4.750	24-Feb-2025	769	785	
7 710	Romanian Government RON	5.800	26-Jul-2027	2 834	2 805	
				3 603	3 590	0.2
Russia						
131 800	Alfa Bank OJSC RUB	8.900	20-Jul-2021	2 924	2 580	
66 700	RusHydro PJSC RUB	7.400	15-Feb-2021	1 439	1 268	
265 000	RusHydro PJSC RUB	8.125	28-Sep-2022	5 740	5 056	
405 048	Russian Federal Bond - OFZ RUB	7.100	16-Oct-2024	7 509	7 497	
261 355	Russian Federal Bond - OFZ RUB	7.750	16-Sep-2026	5 162	4 911	
110 305	Russian Federal Bond - OFZ RUB	7.050	19-Jan-2028	2 175	1 965	
21 817	Russian Federal Bond - OFZ RUB	7.700	23-Mar-2033	446	398	
244 500	X5 Finance BV RUB	9.250	18-Apr-2020	5 318	4 827	
				30 713	28 502	1.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Saudi Arabia						
2 565	Saudi Government USD	2.375	26-Oct-2021	\$ 3 204	\$ 3 380	
407	Saudi Government USD	4.625	04-Oct-2047	500	510	
				3 704	3 890	0.2
Singapore						
2 250	DBS Group Holdings Ltd. SGD	4.700	Perpetual	2 243	2 285	
3 397	Mulhacen Pte Ltd. EUR	6.500	01-Aug-2023	5 149	5 113	
1 500	Suntec Real Estate Investment Trust, Convertible SGD	1.750	30-Nov-2024	1 402	1 443	
1 750	United Overseas Bank Ltd. SGD	4.000	Perpetual	1 723	1 773	
1 750	United Overseas Bank Ltd. SGD	4.750	Perpetual	1 758	1 794	
				12 275	12 408	0.7
South Africa						
410	Barclays Africa Group Ltd. USD	6.250	25-Apr-2028	518	530	
14 000	Barclays Africa Group Ltd. ZAR	12.692	Perpetual	1 340	1 378	
18 000	Eskom Holdings SOC Ltd. ZAR	7.850	02-Apr-2026	1 705	1 513	
3 140	Eskom Holdings SOC Ltd. USD	6.350	10-Aug-2028	4 037	4 141	
800	Ichor Coal NV, Convertible EUR	8.000	07-Jun-2019	1 178	694	
2 350	Republic of South Africa USD	5.500	09-Mar-2020	3 125	3 258	
9 760	Republic of South Africa ZAR	2.750	31-Jan-2022	1 533	1 434	
127 400	Republic of South Africa ZAR	10.500	21-Dec-2026	12 515	13 196	
3 413	Republic of South Africa ZAR	7.000	28-Feb-2031	295	266	
35 382	Republic of South Africa ZAR	8.750	31-Jan-2044	3 018	2 994	
2 244	Republic of South Africa USD	5.000	12-Oct-2046	2 514	2 598	
1 550	Republic of South Africa USD	5.650	27-Sep-2047	1 792	1 893	
169 405	Republic of South Africa ZAR	8.750	28-Feb-2048	14 052	14 323	
400	Sibanye Gold Ltd., Convertible USD	1.875	26-Sep-2023	472	419	
71 000	Standard Bank Group Ltd. ZAR	10.273	13-Feb-2028	7 408	6 801	
18 000	Telkom SA SOC Ltd. ZAR	6.000	24-Feb-2020	1 709	1 692	
27 000	The Standard Bank of South Africa Ltd. ZAR	8.870	24-May-2019	2 787	2 574	
41 260	Transnet SOC Ltd. ZAR	9.500	13-May-2021	4 120	3 924	
30 000	Transnet SOC Ltd. ZAR	10.800	06-Nov-2023	3 310	2 971	
				67 428	66 599	3.8
South Korea						
2 000	LG Chem Ltd., Convertible EUR	0.000	16-Apr-2021	3 077	3 120	
				3 077	3 120	0.2
Spain						
400	Banco Santander S.A. EUR	4.750	Perpetual	637	500	
4 500	Banco Santander S.A. EUR	6.750	Perpetual	7 259	7 175	
2 600	Bankia S.A. EUR	6.000	Perpetual	3 839	3 848	
1 200	Bankia S.A. EUR	6.375	Perpetual	1 832	1 778	
13 000	CaixaBank S.A. EUR	6.750	Perpetual	20 238	20 605	
600	Cellnex Telecom S.A., Convertible EUR	1.500	16-Jan-2026	938	959	
4 200	Telefonica Europe BV EUR	2.625	Perpetual	6 402	6 055	
				41 145	40 920	2.4
Sri Lanka						
816	Sri Lanka Government USD	6.000	14-Jan-2019	1 118	1 112	
1 029	Sri Lanka Government USD	5.875	25-Jul-2022	1 324	1 322	
				2 442	2 434	0.1
Supranational						
3 011	Eagle Intermediate Global Holding BV USD	7.500	01-May-2025	3 857	3 861	
				3 857	3 861	0.2
Sweden						
1 770	Verisure Midholding AB EUR	5.750	01-Dec-2023	2 667	2 679	
				2 667	2 679	0.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Switzerland						
8 390	Credit Suisse Group AG USD	7.250	Perpetual	\$ 11 056	\$ 10 866	
1 780	Sika AG, Convertible CHF	0.150	05-Jun-2025	2 393	2 519	
				13 449	13 385	0.8
Taiwan						
1 200	United Microelectronics Corp., Convertible USD	0.000	18-May-2020	1 548	1 598	
600	Zhen Ding Technology Holding Ltd., Convertible USD	0.000	26-Jun-2019	709	843	
				2 257	2 441	0.1
Thailand						
598	Sea Ltd., Convertible USD	2.250	01-Jul-2023	825	710	
25 300	Thailand Government THB	1.200	14-Jul-2021	1 037	1 149	
154 596	Thailand Government THB	3.625	16-Jun-2023	6 478	6 901	
79 887	Thailand Government THB	2.125	17-Dec-2026	3 186	3 283	
39 138	Thailand Government THB	3.650	20-Jun-2031	1 666	1 799	
15 114	Thailand Government THB	3.400	17-Jun-2036	625	669	
780	Thaioil Treasury Center Co. Ltd. USD	4.625	20-Nov-2028	1 018	1 077	
825	Thaioil Treasury Center Co. Ltd. USD	5.375	20-Nov-2048	1 075	1 140	
				15 910	16 728	1.0
Tunisia						
1 135	Banque Centrale de Tunisie USD	5.750	30-Jan-2025	1 364	1 311	
				1 364	1 311	0.1
Turkey						
1 285	Republic of Turkey USD	5.625	30-Mar-2021	1 580	1 759	
29 688	Republic of Turkey TRY	11.000	02-Mar-2022	9 118	6 432	
1 275	Republic of Turkey USD	6.250	26-Sep-2022	1 612	1 757	
1 470	Republic of Turkey USD	3.250	23-Mar-2023	1 629	1 807	
2 660	Republic of Turkey USD	5.750	22-Mar-2024	3 223	3 527	
2 063	Republic of Turkey TRY	9.000	24-Jul-2024	320	389	
9 314	Republic of Turkey TRY	10.600	11-Feb-2026	1 704	1 862	
1 650	Republic of Turkey EUR	5.200	16-Feb-2026	2 469	2 578	
16 289	Republic of Turkey TRY	11.000	24-Feb-2027	2 787	3 251	
19 203	Republic of Turkey TRY	10.500	11-Aug-2027	3 706	3 703	
1 507	Republic of Turkey USD	6.000	14-Jan-2041	1 582	1 748	
2 560	Republic of Turkey USD	4.875	16-Apr-2043	2 658	2 608	
4 510	Republic of Turkey USD	5.750	11-May-2047	4 590	5 039	
700	TC Ziraat Bankasi A.S. USD	5.125	29-Sep-2023	693	848	
12 352	Türkiye Garanti Bankasi A.S. TRY	11.500	12-Nov-2021	4 153	2 544	
10 351	Yapi ve Kredi Bankasi A.S. TRY	13.125	10-Jun-2020	3 703	2 352	
				45 527	42 204	2.4
Ukraine						
2 285	JSC Oschadbank USD	9.375	10-Mar-2023	3 026	3 083	
1 164	State Savings Bank of Ukraine USD	9.625	20-Mar-2025	1 576	1 510	
1 170	Ukraine Government USD	7.750	01-Sep-2026	1 499	1 370	
3 186	Ukraine Government USD	7.375	25-Sep-2032	3 626	3 477	
4 625	Ukraine Government USD	0.000	31-May-2040	3 249	3 638	
				12 976	13 078	0.8
United Arab Emirates						
1 400	Aabar Investments PJSC, Convertible EUR	0.500	27-Mar-2020	1 999	2 011	
3 707	DAE Funding LLC	4.000	01-Aug-2020	4 786	4 947	
1 000	DP World Ltd., Convertible USD	1.750	19-Jun-2024	1 284	1 300	
2 399	Emirates NBD Tier 1 Ltd. USD	5.750	Perpetual	3 156	3 280	
				11 225	11 538	0.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Kingdom						
1 747	AA Bond Co. Ltd. GBP	4.875	31-Jul-2024	\$ 3 029	\$ 2 899	
3 820	Algeco Scotsman Global Finance Plc. EUR	6.500	15-Feb-2023	5 870	5 871	
1 595	Amigo Luxembourg S.A. GBP	7.625	15-Jan-2024	2 958	2 724	
5 090	Avation Capital S.A. USD	6.500	15-May-2021	6 587	6 949	
7 500	Barclays Plc. GBP	7.250	Perpetual	12 360	13 072	
800	BP Capital Markets Plc., Convertible GBP	1.000	28-Apr-2023	1 694	1 711	
3 583	Drax Finco Plc. USD	6.625	01-Nov-2025	4 511	4 818	
300	Helical Bar Jersey Ltd., Convertible GBP	4.000	17-Jun-2019	560	526	
3 000	HSBC Holdings Plc. EUR	4.750	Perpetual	4 482	4 251	
4 500	HSBC Holdings Plc. USD	6.000	Perpetual	6 140	5 547	
4 475	HSBC Holdings Plc. USD	6.500	Perpetual	5 849	5 559	
400	J Sainsbury Plc., Convertible GBP	2.875	Perpetual	743	720	
5 700	Jaguar Land Rover Automotive Plc. USD	3.500	15-Mar-2020	7 346	7 461	
2 468	Jerrold Finco Plc GBP	6.125	15-Jan-2024	4 420	4 144	
3 160	Nationwide Building Society GBP	10.250	31-Dec-2040	7 887	7 711	
300	PHP Finance Jersey Ltd., Convertible GBP	4.250	20-May-2019	581	604	
2 323	Synlab Bondco Plc. EUR	3.500	01-Jul-2022	3 451	3 606	
1 095	Synlab Bondco Plc. EUR	6.250	01-Jul-2022	1 588	1 747	
3 080	Virgin Media Receivables Financing Notes I DAC GBP	5.500	15-Sep-2024	5 065	5 163	
1 050	Viridian Power & Energy Ltd. EUR	4.000	15-Sep-2025	1 550	1 516	
				86 671	86 599	5.0
United States						
2 005	Akamai Technologies Inc., Convertible	0.125	01-May-2025	2 598	2 517	
2 864	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	4 940	4 661	
4 040	Ascent Resources Utica Holdings LLC	7.000	01-Nov-2026	5 218	5 019	
1 682	Atlassian Inc., Convertible	0.625	01-May-2023	2 442	2 922	
5 020	Baffinland Iron Mines Corp.	8.750	15-Jul-2026	6 605	6 176	
2 570	Banff Merger Sub Inc. EUR	8.375	01-Sep-2026	3 885	3 731	
2 970	Banff Merger Sub Inc.	9.750	01-Sep-2026	3 873	3 719	
1 256	BioMarin Pharmaceutical Inc., Convertible	1.500	15-Oct-2020	1 792	1 911	
2 513	Blackboard Inc.	9.750	15-Oct-2021	2 678	2 349	
2 462	Blue Racer Midstream LLC	6.625	15-Jul-2026	3 223	3 142	
1 677	Bruin E&P Partners LLC	8.875	01-Aug-2023	2 206	2 045	
3 574	California Resources Corp.	8.000	15-Dec-2022	3 954	3 318	
9 766	Citgo Holding Inc.	10.750	15-Feb-2020	13 417	13 633	
2 388	CRC Escrow Issuer LLC	5.250	15-Oct-2025	2 995	2 812	
4 147	CSC Holdings LLC	7.500	01-Apr-2028	5 360	5 676	
3 610	DCP Midstream Operating LP	5.850	21-May-2043	4 412	3 967	
929	DexCom Inc., Convertible	0.750	01-Dec-2023	1 275	1 284	
5 681	Diamond 1 Finance Corp.	4.420	15-Jun-2021	7 690	7 747	
2 670	DISH DBS Corp.	5.125	01-May-2020	3 598	3 609	
704	DISH DBS Corp.	5.875	15-Nov-2024	798	777	
563	DISH DBS Corp.	7.750	01-Jul-2026	673	638	
1 459	DISH Network Corp., Convertible	3.375	15-Aug-2026	2 132	1 613	
534	Dycom Industries Inc., Convertible	0.750	15-Sep-2021	789	681	
2 620	Energizer Gamma Acquisition BV EUR	4.625	15-Jul-2026	4 047	3 850	
1 559	Energy Ventures Gom LLC	11.000	15-Feb-2023	2 065	2 288	
612	Ensco Jersey Finance Ltd., Convertible	3.000	31-Jan-2024	803	555	
3 066	EP Energy LLC	7.750	15-May-2026	3 949	3 720	
1 016	Exact Sciences Corp., Convertible	1.000	15-Jan-2025	1 273	1 527	
610	Extra Space Storage LP, Convertible	3.125	01-Oct-2035	812	903	
1 872	Federal-Mogul LLC EUR	5.000	15-Jul-2024	2 973	3 003	
3 620	Fidelity & Guaranty Life Holdings Inc.	5.500	01-May-2025	4 538	4 746	
595	FireEye Inc., Convertible	0.875	01-Jun-2024	763	819	
856	FireEye Inc., Convertible	1.625	01-Jun-2035	1 010	1 068	
3 483	Ford Motor Credit Co. LLC	3.157	04-Aug-2020	4 546	4 661	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
4 602	Freedom Mortgage Corp.	8.250	15-Apr-2025	\$ 5 855	\$ 5 403	
1 535	frontdoor Inc.	6.750	15-Aug-2026	1 999	1 996	
1 250	Frontier Communications Corp.	6.250	15-Sep-2021	1 452	1 135	
3 630	Frontier Communications Corp.	8.500	01-Apr-2026	4 598	4 349	
2 334	FTS International Inc.	6.250	01-May-2022	2 954	2 852	
952	GCI Liberty Inc., Convertible	1.750	30-Sep-2046	1 288	1 272	
5 400	General Motors Financial Co. Inc.	4.200	01-Mar-2021	7 230	7 371	
100 000	Goldman Sachs International EGP	0.000	30-May-2019	6 842	7 243	
2 030	Gray Escrow Inc.	7.000	15-May-2027	2 657	2 709	
4 338	HCA Inc.	6.500	15-Feb-2020	5 852	6 085	
1 050	Herbalife Nutrition Ltd., Convertible	2.000	15-Aug-2019	1 380	1 980	
713	Illumina Inc., Convertible	0.500	15-Jun-2021	1 265	1 283	
1 850	International Game Technology Plc. EUR	3.500	15-Jul-2024	2 858	2 841	
2 821	Intrepid Aviation Group Holdings LLC	8.500	15-Aug-2021	3 683	3 822	
1 050	Jazz Investments I Ltd., Convertible	1.500	15-Aug-2024	1 327	1 301	
4 000	Jefferies Finance LLC	7.375	01-Apr-2020	5 287	5 468	
672	JPMorgan Chase Financial Co LLC, Convertible	0.250	01-May-2023	865	832	
4 220	Laureate Education Inc.	8.250	01-May-2025	5 766	6 078	
500	Liberty Media Corp. - Liberty Formula One, Convertible	1.000	30-Jan-2023	768	705	
1 065	Liberty Media Corp., Convertible	1.375	15-Oct-2023	1 667	1 561	
587	Live Nation Entertainment Inc., Convertible	2.500	15-Mar-2023	808	818	
4 575	LTF Merger Sub Inc.	8.500	15-Jun-2023	5 972	6 355	
1 106	Lumentum Holdings Inc., Convertible	0.250	15-Mar-2024	1 673	1 522	
2 152	MEDNAX Inc.	6.250	15-Jan-2027	2 822	2 842	
1 562	Meredith Corp.	6.875	01-Feb-2026	1 954	2 090	
4 008	Microchip Technology Inc., Convertible	1.625	15-Feb-2027	5 433	5 362	
9 176	Momentive Performance Materials Inc.	3.880	24-Oct-2021	11 230	13 326	
1 700	Momentive Performance Materials Inc.	4.690	24-Apr-2022	2 112	2 550	
486	Murray Energy Corp.	11.250	15-Apr-2021	433	417	
2 926	Murray Energy Corp.	12.000	15-Apr-2024	2 986	2 177	
4 020	Neptune Finco Corp.	10.125	15-Jan-2023	5 973	5 918	
1 827	Neptune Finco Corp.	10.875	15-Oct-2025	2 830	2 807	
393	Neurocrine Biosciences Inc., Convertible	2.250	15-May-2024	698	642	
2 600	New Albertson's Inc.	5.750	15-Mar-2025	3 020	3 124	
1 298	New Relic Inc., Convertible	0.500	01-May-2023	1 917	1 779	
890	Nine Energy Service Inc.	8.750	01-Nov-2023	1 164	1 160	
719	Nuance Communications Inc., Convertible	1.000	15-Dec-2035	962	855	
1 230	Nutanix Inc., Convertible	0.000	15-Jan-2023	1 674	1 843	
675	NuVasive Inc., Convertible	2.250	15-Mar-2021	1 029	972	
1 356	ON Semiconductor Corp., Convertible	1.000	01-Dec-2020	1 953	2 046	
3 975	OPE KAG Finance Sub Inc.	7.875	31-Jul-2023	5 191	5 223	
2 832	Palo Alto Networks Inc., Convertible	0.750	01-Jul-2023	3 723	3 843	
2 100	PetSmart Inc.	5.875	01-Jun-2025	2 259	2 086	
2 977	Pilgrim's Pride Corp.	5.875	30-Sep-2027	3 832	3 698	
1 275	Pure Storage Inc., Convertible	0.125	15-Apr-2023	1 816	1 625	
2 186	Realogy Group LLC	4.875	01-Jun-2023	2 876	2 611	
3 204	RegionalCare Hospital Partners Holdings Inc.	8.250	01-May-2023	4 345	4 434	
5 710	RegionalCare Hospital Partners Holdings Inc.	9.750	01-Dec-2026	7 558	7 406	
4 768	Resolute Forest Products Inc.	5.875	15-May-2023	5 883	6 477	
1 039	RingCentral Inc., Convertible	0.000	15-Mar-2023	1 573	1 686	
6 630	Rockies Express Pipeline LLC	5.625	15-Apr-2020	8 826	9 097	
285	Sarepta Therapeutics Inc., Convertible	1.500	15-Nov-2024	502	652	
1 470	SASOL Financing USA LLC	5.875	27-Mar-2024	1 894	2 005	
3 335	Schweitzer-Mauduit International Inc.	6.875	01-Oct-2026	4 316	4 291	
1 845	Scientific Games International Inc.	10.000	01-Dec-2022	2 339	2 560	
3 300	Scientific Games International Inc. EUR	5.500	15-Feb-2026	4 872	4 450	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
5 676	Solera LLC	10.500	01-Mar-2024	\$ 8 470	\$ 8 291	
4 580	Springleaf Finance Corp.	6.875	15-Mar-2025	5 922	5 612	
1 122	Springleaf Finance Corp.	7.125	15-Mar-2026	1 442	1 370	
2 910	Sprint Capital Corp.	8.750	15-Mar-2032	4 071	4 201	
1 725	Sprint Corp.	7.625	01-Mar-2026	2 324	2 331	
2 400	Splunk Inc., Convertible	0.500	15-Sep-2023	3 176	3 263	
936	Square Inc., Convertible	0.500	15-May-2023	1 397	1 333	
1 059	Starwood Property Trust Inc., Convertible	4.375	01-Apr-2023	1 418	1 435	
4 932	SunCoke Energy Partners LP	7.500	15-Jun-2025	6 586	6 397	
770	Tenet Healthcare Corp.	8.125	01-Apr-2022	1 098	1 058	
1 340	Tenet Healthcare Corp.	7.000	01-Aug-2025	1 762	1 699	
2 805	Tesla Inc., Convertible	1.250	03-Jan-2021	3 433	4 311	
9 530	United States Treasury	1.375	15-Dec-2019	12 609	12 856	
800	Transocean Inc., Convertible	0.500	30-Jan-2023	1 203	1 037	
470	The Priceline Group Inc., Convertible	0.350	15-Jun-2020	888	866	
2 270	Vantiv LLC GBP	3.875	15-Nov-2025	3 931	3 725	
2 378	Verscend Escrow Corp.	9.750	15-Aug-2026	3 137	3 064	
724	Viavi Solutions Inc., Convertible	1.000	01-Mar-2024	986	978	
1 620	Wand Merger Corp.	8.125	15-Jul-2023	2 149	2 162	
1 080	Wand Merger Corp.	9.125	15-Jul-2026	1 433	1 438	
1 506	Weatherford International Ltd.	9.875	15-Feb-2024	1 398	1 275	
272	Wayfair Inc., Convertible	1.125	01-Nov-2024	401	379	
4 879	WeWork Cos. Inc.	7.875	01-May-2025	6 265	5 945	
722	Workday Inc., Convertible	0.250	01-Oct-2022	1 021	1 209	
410	Wright Medical Group N.V., Convertible	2.250	15-Nov-2021	679	769	
635	Zendesk Inc., Convertible	0.250	15-Mar-2023	969	985	
				375 541	376 111	21.6
Uruguay						
38 358	Uruguay Government UYU	9.875	20-Jun-2022	1 712	1 598	
				1 712	1 598	0.1
Venezuela						
1 004	Petroleos de Venezuela S.A. USD	8.500	27-Oct-2020	1 187	1 284	
				1 187	1 284	0.1
Vietnam						
669	No Va Land Investment Group Corp., Convertible USD	5.500	27-Apr-2023	841	849	
				841	849	0.1
Zambia						
520	Zambia Government USD	5.375	20-Sep-2022	501	512	
715	Zambia Government USD	8.500	14-Apr-2024	697	736	
1 767	Zambia Government USD	8.970	30-Jul-2027	1 696	1 817	
				2 894	3 065	0.2
TOTAL BONDS				1 648 524	1 644 099	94.6
LOANS						
Canada						
4 598	1011778 BC ULC USD	3.397	28-Feb-2024	5 959	5 992	
				5 959	5 992	0.4
France						
4 306	Altice France S.A. USD	6.455	31-Jan-2026	5 524	5 569	
				5 524	5 569	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States						
4 153	Avolon TLB Borrower 1 US LLC	0.000	15-Jan-2025	\$ 5 418	\$ 5 464	
2 352	California Resources Corp.	7.256	10-Nov-2022	2 935	3 136	
2 494	CenturyLink Inc.	0.000	31-Jan-2025	3 154	3 188	
4 364	CITGO Petroleum Corp.	6.303	29-Jul-2021	5 675	5 847	
4 211	ESH Hospitality Inc.	0.000	30-Aug-2023	5 467	5 540	
4 570	Fieldwood Energy LLC	9.772	11-Apr-2023	5 803	5 509	
1 401	FTS International Inc.	7.272	16-Apr-2021	1 838	1 888	
537	Vertellus Specialties Inc.	11.420	31-Jan-2019	710	732	
167	Vertellus Specialties Inc.	14.420	31-Oct-2021	280	225	
4 987	Vistra Operations Co. LLC	0.000	31-Dec-2025	6 489	6 570	
6 570	WMG Acquisition Corp.	4.647	01-Nov-2023	8 632	8 668	
				46 401	46 767	2.7
TOTAL LOANS				57 884	58 328	3.4
Holdings	Security			Cost	Fair Value	% of Net Assets
OTHER INVESTMENTS						
(129)	The S&P 500 Index Future, Written Put @ 2,200.00 February 15, 2019			\$ (555)	\$ (228)	
129	The S&P 500 Index Future, Put @ 2,300.00 February 15, 2019			920	424	
TOTAL OTHER INVESTMENTS				365	196	—
SHORT-TERM INVESTMENTS [†]				25 321	25 321	1.5
TOTAL INVESTMENTS				1 739 316	1 735 389	99.8
CREDIT DEFAULT SWAPS (SCHEDULE A)				41	329	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE B)				—	(99)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE C)				—	21 677	1.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE C)				—	(81 111)	(4.7)
TOTAL PORTFOLIO				\$ 1 739 357	1 676 185	96.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					63 903	3.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 740 088	100.0

SCHEDULE A

Credit Default Swaps

Notional Amount (000s)	Reference Entity	Currency	Pay/Receive Fixed Rate	Fixed Rate	Expiration Date	Counterparty	Credit Rating	Cost	Fair Value	% of Net Assets
4 300	Republic of Argentina USD 7.500% Apr 22 2026	USD	Pay	5.00%	20-Dec-2020	The Goldman Sachs Group, Inc.	BBB+	\$ 41	329	—
TOTAL CREDIT DEFAULT SWAPS								\$ 41	329	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(49) Euro - Bobl Future, March 2019		
Contracts at EUR 132.18 per contract	\$ (9 707)	\$ (25)
(27) Euro-Bund Future, March 2019		
Contracts at EUR 162.33 per contract	(6 569)	(52)
(30) Euro-Schatz Future, March 2019		
Contracts at EUR 111.89 per contract	(5 031)	(3)
(9) United Kingdom Long Gilt Future, March 2019		
Contracts at GBP 121.97 per contract	(1 864)	(19)
TOTAL FUTURES	\$ (23 171)	\$ (99)

\$300 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE C

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought ARS 12 850 Sold CAD 413 @ 31.1000	23-Jan-2019	\$ 38
Bought ARS 26 146 Sold CAD 847 @ 30.8700	23-Jan-2019	71
Bought ARS 10 599 Sold CAD 354 @ 29.9400	23-Jan-2019	18
Bought ARS 44 390 Sold CAD 1 494 @ 29.7200	23-Jan-2019	65
Bought ARS 22 920 Sold CAD 769 @ 29.8000	23-Jan-2019	36
Bought AUD 3 385 Sold CAD 3 173 @ 1.0667	23-Jan-2019	81
Bought AUD 1 266 Sold CAD 1 209 @ 1.0474	23-Jan-2019	9
Bought AUD 2 007 Sold CAD 1 926 @ 1.0419	23-Jan-2019	3
Bought AUD 2 973 Sold CAD 2 853 @ 1.0419	23-Jan-2019	5
Bought CAD 2 302 Sold COP 5 448 508 @ 0.0004	23-Jan-2019	16
Bought CAD 85 Sold COP 201 350 @ 0.0004	23-Jan-2019	1
Bought CAD 3 075 Sold RUB 156 501 @ 0.0197	23-Jan-2019	20
Bought CAD 3 431 Sold COP 8 107 964 @ 0.0004	23-Jan-2019	29
Bought CAD 3 185 Sold RUB 160 779 @ 0.0198	23-Jan-2019	47
Bought CAD 1 566 Sold RUB 79 467 @ 0.0197	23-Jan-2019	15
Bought CAD 217 Sold RUB 10 983 @ 0.0198	23-Jan-2019	3
Bought CAD 4 611 Sold RUB 235 036 @ 0.0196	23-Jan-2019	23
Bought CAD 71 Sold RUB 3 580 @ 0.0200	23-Jan-2019	2
Bought CAD 3 316 Sold ZAR 35 000 @ 0.0947	23-Jan-2019	6
Bought CAD 1 137 Sold ZAR 12 000 @ 0.0947	23-Jan-2019	2
Bought CAD 100 Sold RUB 5 081 @ 0.0196	23-Jan-2019	1
Bought CAD 4 441 Sold AUD 4 613 @ 0.9628	23-Jan-2019	6
Bought CAD 1 469 Sold AUD 1 526 @ 0.9628	23-Jan-2019	2
Bought CAD 672 Sold CLP 339 057 @ 0.0020	23-Jan-2019	5
Bought CAD 452 Sold CLP 227 955 @ 0.0020	23-Jan-2019	3
Bought CAD 392 Sold CLP 197 667 @ 0.0020	23-Jan-2019	3
Bought CAD 264 Sold CLP 132 896 @ 0.0020	23-Jan-2019	2
Bought CAD 588 Sold CLP 296 618 @ 0.0020	23-Jan-2019	4
Bought CAD 395 Sold CLP 199 423 @ 0.0020	23-Jan-2019	3
Bought CAD 395 Sold CLP 199 424 @ 0.0020	23-Jan-2019	3
Bought CAD 588 Sold CLP 296 619 @ 0.0020	23-Jan-2019	4
Bought CAD 885 Sold ZAR 9 288 @ 0.0953	23-Jan-2019	7
Bought CAD 536 Sold RUB 27 211 @ 0.0197	23-Jan-2019	5
Bought CAD 100 Sold RUB 5 095 @ 0.0197	23-Jan-2019	1
Bought CAD 181 Sold RUB 9 095 @ 0.0199	23-Jan-2019	3
Bought CAD 1 082 Sold MXN 15 628 @ 0.0692	23-Jan-2019	1

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 654 Sold TRY 2 566 @ 0.2549	23-Jan-2019	\$ 1
Bought CLP 97 771 Sold CAD 189 @ 517.0465	23-Jan-2019	3
Bought CLP 1 226 851 Sold CAD 2 339 @ 524.5193	23-Jan-2019	75
Bought CLP 130 413 Sold CAD 246 @ 530.1361	23-Jan-2019	11
Bought CLP 852 520 Sold CAD 1 649 @ 516.9919	23-Jan-2019	28
Bought CLP 755 874 Sold CAD 1 448 @ 522.0125	23-Jan-2019	39
Bought CLP 1 106 667 Sold CAD 2 120 @ 522.0125	23-Jan-2019	57
Bought CLP 1 493 256 Sold CAD 2 909 @ 513.3228	23-Jan-2019	29
Bought CLP 2 267 860 Sold CAD 4 418 @ 513.3228	23-Jan-2019	44
Bought CLP 340 822 Sold CAD 670 @ 508.6900	23-Jan-2019	—
Bought CNY 6 545 Sold CAD 1 222 @ 5.3546	23-Jan-2019	78
Bought CNY 6 811 Sold CAD 1 287 @ 5.2918	23-Jan-2019	66
Bought CNY 6 808 Sold CAD 1 287 @ 5.2894	23-Jan-2019	65
Bought CNY 13 527 Sold CAD 2 583 @ 5.2369	23-Jan-2019	103
Bought CNY 8 130 Sold CAD 1 552 @ 5.2399	23-Jan-2019	63
Bought CNY 5 963 Sold CAD 1 138 @ 5.2399	23-Jan-2019	46
Bought CNY 8 938 Sold CAD 1 707 @ 5.2363	23-Jan-2019	68
Bought CNY 12 187 Sold CAD 2 327 @ 5.2363	23-Jan-2019	93
Bought COP 4 482 888 Sold CAD 1 880 @ 2384.5016	23-Jan-2019	1
Bought COP 7 408 158 Sold CAD 3 047 @ 2431.2958	23-Jan-2019	62
Bought COP 1 472 066 Sold CAD 598 @ 2461.6484	23-Jan-2019	20
Bought COP 5 668 884 Sold CAD 2 356 @ 2405.6655	23-Jan-2019	22
Bought COP 4 044 680 Sold CAD 1 684 @ 2402.5114	23-Jan-2019	14
Bought COP 10 981 010 Sold CAD 4 555 @ 2410.7596	23-Jan-2019	53
Bought COP 1 243 822 Sold CAD 511 @ 2433.9988	23-Jan-2019	11
Bought COP 1 332 760 Sold CAD 548 @ 2433.9988	23-Jan-2019	12
Bought COP 1 334 538 Sold CAD 549 @ 2431.8413	23-Jan-2019	11
Bought COP 1 245 481 Sold CAD 512 @ 2431.8413	23-Jan-2019	11
Bought COP 1 103 742 Sold CAD 454 @ 2431.3853	23-Jan-2019	9
Bought COP 1 182 664 Sold CAD 486 @ 2431.3853	23-Jan-2019	10
Bought COP 1 093 578 Sold CAD 449 @ 2433.3294	23-Jan-2019	10
Bought COP 1 171 774 Sold CAD 482 @ 2433.3294	23-Jan-2019	10
Bought COP 1 110 977 Sold CAD 456 @ 2435.1471	23-Jan-2019	10
Bought COP 1 190 416 Sold CAD 489 @ 2435.1471	23-Jan-2019	11
Bought COP 1 910 497 Sold CAD 799 @ 2391.1100	23-Jan-2019	3
Bought COP 1 042 524 Sold CAD 436 @ 2391.1100	23-Jan-2019	1
Bought CZK 39 759 Sold CAD 2 319 @ 17.1464	23-Jan-2019	98
Bought CZK 43 885 Sold CAD 2 555 @ 17.1760	23-Jan-2019	113
Bought EUR 3 196 Sold CAD 4 805 @ 0.6651	23-Jan-2019	201
Bought EUR 656 Sold CAD 985 @ 0.6657	23-Jan-2019	42
Bought EUR 1 777 Sold CAD 2 674 @ 0.6645	23-Jan-2019	109
Bought EUR 711 Sold CAD 1 070 @ 0.6646	23-Jan-2019	44
Bought EUR 2 000 Sold CAD 3 005 @ 0.6656	23-Jan-2019	128
Bought EUR 1 500 Sold CAD 2 257 @ 0.6645	23-Jan-2019	92
Bought EUR 731 Sold CAD 1 101 @ 0.6639	23-Jan-2019	44
Bought EUR 1 029 Sold HUF 330 405 @ 0.0031	23-Jan-2019	—
Bought EUR 39 900 Sold CAD 60 028 @ 0.6647	23-Jan-2019	2 463
Bought EUR 374 Sold CAD 563 @ 0.6642	23-Jan-2019	23
Bought EUR 492 Sold CAD 739 @ 0.6658	23-Jan-2019	32
Bought EUR 604 Sold CAD 910 @ 0.6636	23-Jan-2019	36
Bought EUR 1 056 Sold CAD 1 600 @ 0.6599	23-Jan-2019	54
Bought EUR 800 Sold CAD 1 218 @ 0.6570	23-Jan-2019	35
Bought EUR 716 Sold CAD 1 087 @ 0.6584	23-Jan-2019	34
Bought EUR 305 Sold CAD 463 @ 0.6584	23-Jan-2019	14
Bought EUR 1 103 Sold CAD 1 663 @ 0.6632	23-Jan-2019	64

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 665 Sold CAD 1 008 @ 0.6600	23-Jan-2019	\$ 34
Bought EUR 482 Sold CAD 734 @ 0.6564	23-Jan-2019	21
Bought EUR 306 Sold CAD 470 @ 0.6517	23-Jan-2019	10
Bought EUR 313 Sold CAD 474 @ 0.6600	23-Jan-2019	16
Bought EUR 1 160 Sold CAD 1 769 @ 0.6558	23-Jan-2019	48
Bought EUR 344 Sold CAD 524 @ 0.6570	23-Jan-2019	15
Bought EUR 10 000 Sold CAD 15 216 @ 0.6572	23-Jan-2019	447
Bought EUR 199 Sold CAD 311 @ 0.6406	23-Jan-2019	1
Bought EUR 7 000 Sold CAD 10 954 @ 0.6391	23-Jan-2019	10
Bought GBP 500 Sold CAD 852 @ 0.5869	23-Jan-2019	19
Bought GBP 205 Sold CAD 348 @ 0.5884	23-Jan-2019	9
Bought GBP 384 Sold CAD 653 @ 0.5884	23-Jan-2019	16
Bought GBP 986 Sold CAD 1 675 @ 0.5887	23-Jan-2019	42
Bought HKD 73 318 Sold CAD 12 154 @ 6.0322	23-Jan-2019	629
Bought HKD 1 844 Sold CAD 307 @ 6.0067	23-Jan-2019	15
Bought HKD 2 410 Sold CAD 404 @ 5.9719	23-Jan-2019	17
Bought HKD 930 Sold CAD 157 @ 5.9306	23-Jan-2019	5
Bought HKD 8 000 Sold CAD 1 375 @ 5.8173	23-Jan-2019	20
Bought HUF 962 805 Sold CAD 4 500 @ 213.9729	23-Jan-2019	196
Bought HUF 36 279 Sold CAD 167 @ 217.2384	23-Jan-2019	10
Bought HUF 615 987 Sold CAD 2 888 @ 213.2918	23-Jan-2019	116
Bought HUF 184 653 Sold CAD 868 @ 212.8460	23-Jan-2019	33
Bought IDR 13 061 515 Sold CAD 1 128 @ 11579.3570	23-Jan-2019	106
Bought IDR 6 842 972 Sold CAD 599 @ 11415.9889	23-Jan-2019	47
Bought IDR 5 827 976 Sold CAD 511 @ 11415.9889	23-Jan-2019	40
Bought IDR 8 518 132 Sold CAD 748 @ 11391.7307	23-Jan-2019	57
Bought IDR 10 001 643 Sold CAD 878 @ 11391.7307	23-Jan-2019	67
Bought IDR 19 711 337 Sold CAD 1 745 @ 11297.5592	23-Jan-2019	118
Bought IDR 23 144 248 Sold CAD 2 049 @ 11297.5592	23-Jan-2019	138
Bought IDR 14 707 604 Sold CAD 1 313 @ 11201.1229	23-Jan-2019	77
Bought IDR 63 303 157 Sold CAD 5 630 @ 11243.9000	23-Jan-2019	352
Bought IDR 15 721 740 Sold CAD 1 430 @ 10994.2236	23-Jan-2019	56
Bought IDR 28 145 212 Sold CAD 2 560 @ 10994.2236	23-Jan-2019	100
Bought IDR 4 903 945 Sold CAD 462 @ 10614.6000	23-Jan-2019	1
Bought ILS 4 228 Sold CAD 1 526 @ 2.7708	23-Jan-2019	20
Bought ILS 2 817 Sold CAD 1 017 @ 2.7708	23-Jan-2019	13
Bought ILS 2 769 Sold CAD 1 000 @ 2.7704	23-Jan-2019	13
Bought ILS 4 157 Sold CAD 1 500 @ 2.7704	23-Jan-2019	19
Bought ILS 2 461 Sold CAD 889 @ 2.7694	23-Jan-2019	11
Bought ILS 3 693 Sold CAD 1 334 @ 2.7694	23-Jan-2019	16
Bought INR 180 999 Sold CAD 3 163 @ 57.2239	23-Jan-2019	377
Bought INR 67 640 Sold CAD 1 214 @ 55.7170	23-Jan-2019	109
Bought INR 176 444 Sold CAD 3 197 @ 55.1906	23-Jan-2019	254
Bought INR 53 149 Sold CAD 963 @ 55.1906	23-Jan-2019	76
Bought INR 77 190 Sold CAD 1 460 @ 52.8702	23-Jan-2019	50
Bought JPY 43 738 Sold CAD 514 @ 85.1136	23-Jan-2019	31
Bought JPY 70 000 Sold CAD 820 @ 85.3178	23-Jan-2019	52
Bought JPY 121 000 Sold CAD 1 427 @ 84.7738	23-Jan-2019	81
Bought JPY 169 000 Sold CAD 1 997 @ 84.6228	23-Jan-2019	110
Bought JPY 35 800 Sold CAD 436 @ 82.0221	23-Jan-2019	10
Bought KZT 345 263 Sold CAD 1 210 @ 285.4500	23-Jan-2019	22
Bought MXN 21 867 Sold CAD 1 425 @ 15.3453	23-Jan-2019	88
Bought MXN 22 106 Sold CAD 1 425 @ 15.5131	23-Jan-2019	104
Bought MXN 68 829 Sold CAD 4 423 @ 15.5616	23-Jan-2019	338
Bought MXN 15 173 Sold CAD 980 @ 15.4788	23-Jan-2019	69

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought MXN 15 785 Sold CAD 1 020 @ 15.4787	23-Jan-2019	\$ 72
Bought MXN 22 776 Sold CAD 1 470 @ 15.4899	23-Jan-2019	105
Bought MXN 23 694 Sold CAD 1 530 @ 15.4899	23-Jan-2019	109
Bought MXN 19 437 Sold CAD 1 254 @ 15.4996	23-Jan-2019	91
Bought MXN 106 809 Sold CAD 6 898 @ 15.4840	23-Jan-2019	491
Bought MXN 124 Sold CAD 8 @ 15.6041	23-Jan-2019	1
Bought MXN 192 000 Sold CAD 12 317 @ 15.5880	23-Jan-2019	965
Bought MXN 13 080 Sold CAD 848 @ 15.4243	23-Jan-2019	57
Bought MXN 19 467 Sold CAD 1 271 @ 15.3161	23-Jan-2019	76
Bought MXN 7 758 Sold CAD 522 @ 14.8516	23-Jan-2019	14
Bought MXN 14 688 Sold CAD 989 @ 14.8516	23-Jan-2019	27
Bought MXN 10 253 Sold CAD 691 @ 14.8322	23-Jan-2019	18
Bought MXN 19 411 Sold CAD 1 309 @ 14.8322	23-Jan-2019	34
Bought MXN 10 344 Sold CAD 699 @ 14.7932	23-Jan-2019	16
Bought MXN 5 464 Sold CAD 369 @ 14.7932	23-Jan-2019	9
Bought MYR 3 956 Sold CAD 1 236 @ 3.2010	23-Jan-2019	71
Bought MYR 14 077 Sold CAD 4 398 @ 3.2010	23-Jan-2019	254
Bought MYR 1 968 Sold CAD 616 @ 3.1935	23-Jan-2019	34
Bought MYR 10 383 Sold CAD 3 265 @ 3.1800	23-Jan-2019	166
Bought MYR 6 000 Sold CAD 1 904 @ 3.1510	23-Jan-2019	78
Bought MYR 3 251 Sold CAD 1 033 @ 3.1475	23-Jan-2019	41
Bought PEN 4 578 Sold CAD 1 773 @ 2.5816	23-Jan-2019	79
Bought PEN 4 680 Sold CAD 1 815 @ 2.5786	23-Jan-2019	79
Bought PEN 1 358 Sold CAD 549 @ 2.4743	23-Jan-2019	1
Bought PHP 7 464 Sold CAD 184 @ 40.5674	23-Jan-2019	10
Bought PHP 86 325 Sold CAD 2 155 @ 40.0580	23-Jan-2019	87
Bought PHP 58 124 Sold CAD 1 451 @ 40.0580	23-Jan-2019	58
Bought PHP 58 560 Sold CAD 1 471 @ 39.8098	23-Jan-2019	50
Bought PHP 88 577 Sold CAD 2 225 @ 39.8098	23-Jan-2019	75
Bought PLN 20 707 Sold CAD 7 243 @ 2.8588	23-Jan-2019	309
Bought PLN 17 Sold CAD 6 @ 2.8588	23-Jan-2019	—
Bought PLN 4 068 Sold EUR 937 @ 4.3419	23-Jan-2019	16
Bought PLN 9 141 Sold EUR 2 114 @ 4.3245	23-Jan-2019	23
Bought PLN 15 678 Sold CAD 5 488 @ 2.8568	23-Jan-2019	230
Bought PLN 1 350 Sold CAD 490 @ 2.7542	23-Jan-2019	2
Bought RON 7 417 Sold CAD 2 371 @ 3.1279	23-Jan-2019	119
Bought RON 5 748 Sold CAD 1 845 @ 3.1157	23-Jan-2019	85
Bought RUB 227 703 Sold CAD 4 443 @ 51.2499	23-Jan-2019	2
Bought SEK 1 087 Sold CAD 159 @ 6.8245	23-Jan-2019	8
Bought SGD 7 364 Sold CAD 6 959 @ 1.0583	23-Jan-2019	417
Bought SGD 257 Sold CAD 249 @ 1.0314	23-Jan-2019	8
Bought SGD 3 300 Sold CAD 3 240 @ 1.0185	23-Jan-2019	65
Bought THB 37 846 Sold CAD 1 508 @ 25.0968	23-Jan-2019	79
Bought THB 80 795 Sold CAD 3 241 @ 24.9259	23-Jan-2019	146
Bought THB 144 627 Sold CAD 5 802 @ 24.9259	23-Jan-2019	261
Bought THB 9 158 Sold CAD 363 @ 25.2290	23-Jan-2019	21
Bought THB 142 179 Sold CAD 5 662 @ 25.1111	23-Jan-2019	299
Bought THB 22 558 Sold CAD 905 @ 24.9312	23-Jan-2019	41
Bought THB 15 037 Sold CAD 599 @ 25.0919	23-Jan-2019	31
Bought TRY 3 320 Sold CAD 708 @ 4.6888	23-Jan-2019	137
Bought TRY 7 166 Sold CAD 1 576 @ 4.5471	23-Jan-2019	248
Bought TRY 7 477 Sold CAD 1 665 @ 4.4906	23-Jan-2019	238
Bought TRY 13 090 Sold CAD 3 004 @ 4.3575	23-Jan-2019	327
Bought TRY 2 439 Sold CAD 589 @ 4.1408	23-Jan-2019	32
Bought TRY 5 255 Sold CAD 1 269 @ 4.1408	23-Jan-2019	68

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought TRY 2 217 Sold CAD 530 @ 4.1824	23-Jan-2019	\$ 34
Bought TRY 4 099 Sold CAD 980 @ 4.1824	23-Jan-2019	63
Bought TRY 14 100 Sold CAD 3 422 @ 4.1208	23-Jan-2019	167
Bought USD 1 320 Sold CAD 1 725 @ 0.7651	23-Jan-2019	76
Bought USD 802 Sold CAD 1 042 @ 0.7696	23-Jan-2019	52
Bought USD 976 Sold CAD 1 271 @ 0.7678	23-Jan-2019	60
Bought USD 1 186 Sold CAD 1 544 @ 0.7680	23-Jan-2019	74
Bought USD 2 272 Sold CAD 2 965 @ 0.7662	23-Jan-2019	135
Bought USD 692 Sold CAD 908 @ 0.7621	23-Jan-2019	36
Bought USD 387 Sold CAD 507 @ 0.7634	23-Jan-2019	21
Bought USD 2 651 Sold CAD 3 469 @ 0.7643	23-Jan-2019	148
Bought USD 9 000 Sold CAD 11 881 @ 0.7575	23-Jan-2019	399
Bought USD 988 Sold CAD 1 303 @ 0.7581	23-Jan-2019	45
Bought USD 1 420 Sold CAD 1 879 @ 0.7556	23-Jan-2019	58
Bought USD 1 234 Sold CAD 1 630 @ 0.7569	23-Jan-2019	53
Bought USD 380 Sold CAD 499 @ 0.7617	23-Jan-2019	20
Bought USD 2 788 Sold CAD 3 668 @ 0.7601	23-Jan-2019	136
Bought USD 589 Sold CAD 779 @ 0.7562	23-Jan-2019	25
Bought USD 650 Sold CAD 862 @ 0.7539	23-Jan-2019	25
Bought USD 2 785 Sold CAD 3 694 @ 0.7539	23-Jan-2019	106
Bought USD 310 Sold CAD 411 @ 0.7540	23-Jan-2019	12
Bought USD 1 119 Sold CAD 1 477 @ 0.7570	23-Jan-2019	49
Bought USD 915 Sold CAD 1 205 @ 0.7591	23-Jan-2019	43
Bought USD 950 Sold CAD 1 251 @ 0.7591	23-Jan-2019	45
Bought USD 990 Sold CAD 1 313 @ 0.7543	23-Jan-2019	38
Bought USD 14 000 Sold CAD 18 558 @ 0.7544	23-Jan-2019	544
Bought USD 4 000 Sold CAD 5 303 @ 0.7542	23-Jan-2019	154
Bought USD 920 Sold CAD 1 223 @ 0.7522	23-Jan-2019	32
Bought USD 1 320 Sold CAD 1 765 @ 0.7480	23-Jan-2019	36
Bought USD 4 000 Sold CAD 5 333 @ 0.7501	23-Jan-2019	125
Bought USD 3 900 Sold CAD 5 213 @ 0.7481	23-Jan-2019	108
Bought USD 1 330 Sold CAD 1 788 @ 0.7437	23-Jan-2019	26
Bought USD 503 Sold CAD 677 @ 0.7427	23-Jan-2019	9
Bought USD 2 760 Sold CAD 3 716 @ 0.7427	23-Jan-2019	49
Bought USD 778 Sold CAD 1 052 @ 0.7398	23-Jan-2019	10
Bought USD 3 030 Sold CAD 4 098 @ 0.7394	23-Jan-2019	36
Bought USD 634 Sold CAD 860 @ 0.7371	23-Jan-2019	5
Bought USD 419 Sold CAD 569 @ 0.7362	23-Jan-2019	3
Bought USD 2 000 Sold CAD 2 725 @ 0.7339	23-Jan-2019	3
Bought UYU 3 970 Sold CAD 156 @ 25.4500	23-Jan-2019	11
Bought ZAR 10 966 Sold CAD 980 @ 11.1897	23-Jan-2019	57
Bought ZAR 52 000 Sold CAD 4 621 @ 11.2519	23-Jan-2019	296
Bought ZAR 17 675 Sold CAD 1 564 @ 11.3009	23-Jan-2019	108
Bought ZAR 32 598 Sold CAD 2 914 @ 11.1868	23-Jan-2019	169
Bought ZAR 33 710 Sold CAD 2 966 @ 11.3642	23-Jan-2019	222
Bought ZAR 17 669 Sold CAD 1 593 @ 11.0919	23-Jan-2019	78
Bought ZAR 10 000 Sold CAD 928 @ 10.7799	23-Jan-2019	18
Bought ZAR 63 710 Sold CAD 5 880 @ 10.8350	23-Jan-2019	145
Bought BRL 674 Sold CAD 237 @ 2.8451	04-Feb-2019	—
Bought BRL 2 728 Sold CAD 945 @ 2.8872	04-Feb-2019	13
Bought BRL 18 567 Sold CAD 6 439 @ 2.8835	04-Feb-2019	81
Bought BRL 6 556 Sold CAD 2 206 @ 2.9720	04-Feb-2019	96
Bought BRL 4 283 Sold CAD 1 441 @ 2.9720	04-Feb-2019	63
Bought BRL 3 942 Sold CAD 1 349 @ 2.9231	04-Feb-2019	36
Bought BRL 2 414 Sold CAD 827 @ 2.9202	04-Feb-2019	21

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought BRL 3 944 Sold CAD 1 352 @ 2.9174	04-Feb-2019	\$ 33
Bought BRL 4 990 Sold CAD 1 714 @ 2.9112	04-Feb-2019	38
Bought BRL 9 000 Sold CAD 3 078 @ 2.9236	04-Feb-2019	82
Bought CAD 351 Sold BRL 997 @ 0.3525	04-Feb-2019	1
Bought CAD 5 390 Sold BRL 15 289 @ 0.3525	04-Feb-2019	21
Bought USD 250 Sold CAD 332 @ 0.7539	21-Mar-2019	9
Bought USD 750 Sold CAD 995 @ 0.7539	21-Mar-2019	27
Bought CNY 54 443 Sold CAD 10 214 @ 5.3302	18-Jun-2019	542
		\$ 21 677

Contracts	Maturity Date	Unrealized Loss
Bought AUD 1 531 Sold CAD 1 474 @ 1.0387	23-Jan-2019	\$ (2)
Bought AUD 1 034 Sold CAD 995 @ 1.0387	23-Jan-2019	(1)
Bought CAD 1 733 Sold INR 99 858 @ 0.0174	23-Jan-2019	(220)
Bought CAD 5 212 Sold INR 300 322 @ 0.0174	23-Jan-2019	(664)
Bought CAD 7 444 Sold IDR 88 861 892 @ 0.0001	23-Jan-2019	(955)
Bought CAD 542 Sold PEN 1 398 @ 0.3877	23-Jan-2019	(24)
Bought CAD 594 Sold CZK 10 180 @ 0.0583	23-Jan-2019	(25)
Bought CAD 3 924 Sold CNY 21 008 @ 0.1868	23-Jan-2019	(249)
Bought CAD 523 Sold SGD 554 @ 0.9448	23-Jan-2019	(31)
Bought CAD 4 352 Sold TRY 19 629 @ 0.2217	23-Jan-2019	(643)
Bought CAD 1 457 Sold MXN 21 416 @ 0.0680	23-Jan-2019	(24)
Bought CAD 14 155 Sold ZAR 156 320 @ 0.0905	23-Jan-2019	(629)
Bought CAD 9 910 Sold MXN 145 657 @ 0.0680	23-Jan-2019	(167)
Bought CAD 4 984 Sold TRY 22 479 @ 0.2217	23-Jan-2019	(736)
Bought CAD 4 386 Sold ZAR 48 443 @ 0.0905	23-Jan-2019	(195)
Bought CAD 766 Sold PHP 32 025 @ 0.0239	23-Jan-2019	(65)
Bought CAD 1 301 Sold USD 1 000 @ 1.3008	23-Jan-2019	(64)
Bought CAD 23 996 Sold JPY 2 059 470 @ 0.0117	23-Jan-2019	(1 686)
Bought CAD 2 447 Sold CHF 1 850 @ 1.3229	23-Jan-2019	(126)
Bought CAD 159 Sold SEK 1 087 @ 0.1465	23-Jan-2019	(8)
Bought CAD 1 558 Sold AUD 1 675 @ 0.9306	23-Jan-2019	(52)
Bought CAD 4 703 Sold SGD 4 972 @ 0.9460	23-Jan-2019	(276)
Bought CAD 8 477 Sold HKD 51 016 @ 0.1662	23-Jan-2019	(418)
Bought CAD 31 842 Sold EUR 21 071 @ 1.5112	23-Jan-2019	(1 160)
Bought CAD 6 415 Sold GBP 3 738 @ 1.7163	23-Jan-2019	(92)
Bought CAD 40 232 Sold USD 30 923 @ 1.3011	23-Jan-2019	(1 960)
Bought CAD 33 808 Sold USD 25 985 @ 1.3011	23-Jan-2019	(1 646)
Bought CAD 274 Sold CHF 207 @ 1.3237	23-Jan-2019	(14)
Bought CAD 31 352 Sold GBP 18 270 @ 1.7160	23-Jan-2019	(456)
Bought CAD 157 916 Sold USD 121 383 @ 1.3010	23-Jan-2019	(7 697)
Bought CAD 63 535 Sold EUR 42 050 @ 1.5109	23-Jan-2019	(2 324)
Bought CAD 13 844 Sold USD 10 641 @ 1.3010	23-Jan-2019	(675)
Bought CAD 146 284 Sold USD 112 462 @ 1.3007	23-Jan-2019	(7 158)
Bought CAD 12 824 Sold USD 9 859 @ 1.3007	23-Jan-2019	(627)
Bought CAD 61 032 Sold EUR 40 401 @ 1.5107	23-Jan-2019	(2 245)
Bought CAD 11 991 Sold USD 9 209 @ 1.3021	23-Jan-2019	(574)
Bought CAD 136 777 Sold USD 105 047 @ 1.3021	23-Jan-2019	(6 547)
Bought CAD 45 804 Sold USD 35 188 @ 1.3017	23-Jan-2019	(2 206)
Bought CAD 21 953 Sold GBP 12 807 @ 1.7141	23-Jan-2019	(344)
Bought CAD 1 045 Sold USD 802 @ 1.3025	23-Jan-2019	(50)
Bought CAD 5 735 Sold EUR 3 800 @ 1.5092	23-Jan-2019	(217)
Bought CAD 96 432 Sold EUR 63 894 @ 1.5092	23-Jan-2019	(3 640)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 540 Sold IDR 18 348 003 @ 0.0001	23-Jan-2019	\$ (193)
Bought CAD 3 137 Sold COP 7 477 672 @ 0.0004	23-Jan-2019	(1)
Bought CAD 2 759 Sold ZAR 30 705 @ 0.0899	23-Jan-2019	(144)
Bought CAD 1 688 Sold ZAR 18 787 @ 0.0899	23-Jan-2019	(88)
Bought CAD 722 Sold UYU 18 576 @ 0.0389	23-Jan-2019	(57)
Bought CAD 310 663 Sold USD 239 022 @ 1.2997	23-Jan-2019	(15 455)
Bought CAD 868 Sold ARS 27 257 @ 0.0318	23-Jan-2019	(89)
Bought CAD 3 151 Sold ARS 98 930 @ 0.0318	23-Jan-2019	(322)
Bought CAD 4 824 Sold EUR 3 196 @ 1.5095	23-Jan-2019	(181)
Bought CAD 1 458 Sold EUR 966 @ 1.5092	23-Jan-2019	(55)
Bought CAD 1 042 Sold USD 800 @ 1.3019	23-Jan-2019	(50)
Bought CAD 174 419 Sold EUR 115 705 @ 1.5074	23-Jan-2019	(6 801)
Bought CAD 194 Sold MXN 2 888 @ 0.0672	23-Jan-2019	(6)
Bought CAD 333 Sold THB 8 318 @ 0.0400	23-Jan-2019	(16)
Bought CAD 900 Sold TRY 4 130 @ 0.2179	23-Jan-2019	(151)
Bought CAD 1 302 Sold USD 1 000 @ 1.3015	23-Jan-2019	(63)
Bought CAD 1 448 Sold ZAR 16 114 @ 0.0899	23-Jan-2019	(76)
Bought CAD 634 Sold ARS 19 939 @ 0.0318	23-Jan-2019	(66)
Bought CAD 4 635 Sold CNY 24 648 @ 0.1881	23-Jan-2019	(261)
Bought CAD 12 277 Sold CNY 65 285 @ 0.1881	23-Jan-2019	(691)
Bought CAD 1 557 Sold THB 38 983 @ 0.0399	23-Jan-2019	(77)
Bought CAD 5 090 Sold MYR 16 255 @ 0.3131	23-Jan-2019	(281)
Bought CAD 837 Sold ZAR 9 455 @ 0.0885	23-Jan-2019	(57)
Bought CAD 1 389 Sold COP 3 406 535 @ 0.0004	23-Jan-2019	(41)
Bought CAD 1 586 Sold THB 40 111 @ 0.0395	23-Jan-2019	(96)
Bought CAD 2 847 Sold MXN 43 039 @ 0.0661	23-Jan-2019	(130)
Bought CAD 1 425 Sold HUF 308 246 @ 0.0046	23-Jan-2019	(79)
Bought CAD 2 336 Sold CLP 1 230 558 @ 0.0019	23-Jan-2019	(85)
Bought CAD 3 245 Sold MXN 48 980 @ 0.0663	23-Jan-2019	(143)
Bought CAD 2 873 Sold KZT 831 745 @ 0.0035	23-Jan-2019	(93)
Bought CAD 1 088 Sold USD 830 @ 1.3112	23-Jan-2019	(44)
Bought CAD 1 051 Sold EUR 702 @ 1.4966	23-Jan-2019	(49)
Bought CAD 225 Sold TRY 1 011 @ 0.2225	23-Jan-2019	(32)
Bought CAD 387 Sold SGD 407 @ 0.9500	23-Jan-2019	(21)
Bought CAD 662 Sold MYR 2 119 @ 0.3125	23-Jan-2019	(38)
Bought CAD 1 019 Sold USD 780 @ 1.3060	23-Jan-2019	(46)
Bought CAD 506 Sold COP 1 241 637 @ 0.0004	23-Jan-2019	(15)
Bought CAD 1 173 Sold USD 900 @ 1.3034	23-Jan-2019	(55)
Bought CAD 1 330 Sold USD 1 020 @ 1.3042	23-Jan-2019	(61)
Bought CAD 1 233 Sold EUR 820 @ 1.5039	23-Jan-2019	(51)
Bought CAD 568 Sold TRY 2 450 @ 0.2317	23-Jan-2019	(56)
Bought CAD 1 045 Sold USD 800 @ 1.3058	23-Jan-2019	(47)
Bought CAD 1 561 Sold EUR 1 040 @ 1.5007	23-Jan-2019	(68)
Bought CAD 299 Sold TRY 1 278 @ 0.2336	23-Jan-2019	(27)
Bought CAD 596 Sold TRY 2 550 @ 0.2337	23-Jan-2019	(53)
Bought CAD 507 Sold USD 388 @ 1.3055	23-Jan-2019	(23)
Bought CAD 841 Sold EUR 556 @ 1.5130	23-Jan-2019	(30)
Bought CAD 1 224 Sold ZAR 13 200 @ 0.0927	23-Jan-2019	(24)
Bought CAD 481 Sold TRY 2 099 @ 0.2294	23-Jan-2019	(53)
Bought CAD 285 Sold TRY 1 243 @ 0.2294	23-Jan-2019	(31)
Bought CAD 1 610 Sold USD 1 230 @ 1.3086	23-Jan-2019	(69)
Bought CAD 1 744 Sold CNY 9 247 @ 0.1886	23-Jan-2019	(93)
Bought CAD 620 Sold PEN 1 601 @ 0.3877	23-Jan-2019	(27)
Bought CAD 947 Sold CLP 489 919 @ 0.0019	23-Jan-2019	(17)
Bought CAD 1 390 Sold PEN 3 585 @ 0.3877	23-Jan-2019	(61)

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 539 Sold CLP 278 922 @ 0.0019	23-Jan-2019	\$ (10)
Bought CAD 1 657 Sold MXN 25 759 @ 0.0643	23-Jan-2019	(125)
Bought CAD 34 Sold MXN 521 @ 0.0643	23-Jan-2019	(3)
Bought CAD 1 224 Sold MXN 19 034 @ 0.0643	23-Jan-2019	(93)
Bought CAD 491 Sold PHP 19 878 @ 0.0247	23-Jan-2019	(25)
Bought CAD 1 224 Sold MXN 19 040 @ 0.0643	23-Jan-2019	(93)
Bought CAD 1 657 Sold MXN 25 767 @ 0.0643	23-Jan-2019	(126)
Bought CAD 34 Sold MXN 521 @ 0.0643	23-Jan-2019	(3)
Bought CAD 170 Sold THB 4 257 @ 0.0400	23-Jan-2019	(8)
Bought CAD 841 Sold THB 21 031 @ 0.0400	23-Jan-2019	(41)
Bought CAD 455 Sold THB 11 379 @ 0.0400	23-Jan-2019	(22)
Bought CAD 1 803 Sold THB 45 108 @ 0.0400	23-Jan-2019	(88)
Bought CAD 1 650 Sold HUF 355 316 @ 0.0046	23-Jan-2019	(83)
Bought CAD 2 727 Sold PLN 7 873 @ 0.3463	23-Jan-2019	(145)
Bought CAD 2 758 Sold CZK 47 817 @ 0.0577	23-Jan-2019	(149)
Bought CAD 6 068 Sold ZAR 66 700 @ 0.0910	23-Jan-2019	(240)
Bought CAD 8 358 Sold MXN 130 000 @ 0.0643	23-Jan-2019	(635)
Bought CAD 941 Sold RON 2 950 @ 0.3189	23-Jan-2019	(50)
Bought CAD 7 194 Sold RUB 372 106 @ 0.0193	23-Jan-2019	(70)
Bought CAD 3 658 Sold TRY 15 745 @ 0.2323	23-Jan-2019	(349)
Bought CAD 1 125 Sold ZAR 12 370 @ 0.0909	23-Jan-2019	(45)
Bought CAD 1 144 Sold ZAR 12 579 @ 0.0909	23-Jan-2019	(46)
Bought CAD 1 125 Sold ZAR 12 394 @ 0.0907	23-Jan-2019	(48)
Bought CAD 1 144 Sold ZAR 12 603 @ 0.0907	23-Jan-2019	(48)
Bought CAD 453 Sold JPY 38 800 @ 0.0117	23-Jan-2019	(31)
Bought CAD 3 924 Sold IDR 44 495 015 @ 0.0001	23-Jan-2019	(280)
Bought CAD 5 410 Sold COP 13 132 355 @ 0.0004	23-Jan-2019	(101)
Bought CAD 2 470 Sold EUR 1 646 @ 1.5010	23-Jan-2019	(107)
Bought CAD 2 593 Sold MYR 8 240 @ 0.3147	23-Jan-2019	(130)
Bought CAD 3 959 Sold USD 3 000 @ 1.3198	23-Jan-2019	(134)
Bought CAD 1 613 Sold HUF 345 601 @ 0.0047	23-Jan-2019	(72)
Bought CAD 427 Sold UYU 10 782 @ 0.0397	23-Jan-2019	(25)
Bought CAD 1 132 Sold INR 62 129 @ 0.0182	23-Jan-2019	(83)
Bought CAD 807 Sold HUF 172 806 @ 0.0047	23-Jan-2019	(36)
Bought CAD 4 817 Sold MXN 75 207 @ 0.0641	23-Jan-2019	(386)
Bought CAD 1 551 Sold USD 1 180 @ 1.3143	23-Jan-2019	(59)
Bought CAD 1 249 Sold USD 950 @ 1.3143	23-Jan-2019	(48)
Bought CAD 1 435 Sold ILS 4 024 @ 0.3566	23-Jan-2019	(36)
Bought CAD 2 153 Sold ILS 6 039 @ 0.3566	23-Jan-2019	(54)
Bought CAD 2 152 Sold ILS 6 039 @ 0.3563	23-Jan-2019	(56)
Bought CAD 1 434 Sold ILS 4 024 @ 0.3563	23-Jan-2019	(37)
Bought CAD 53 Sold HKD 311 @ 0.1696	23-Jan-2019	(1)
Bought CAD 1 176 Sold MYR 3 730 @ 0.3154	23-Jan-2019	(56)
Bought CAD 1 137 Sold JPY 96 870 @ 0.0117	23-Jan-2019	(70)
Bought CAD 179 Sold TRY 744 @ 0.2409	23-Jan-2019	(10)
Bought CAD 603 Sold TRY 2 503 @ 0.2407	23-Jan-2019	(34)
Bought CAD 2 244 Sold INR 121 107 @ 0.0185	23-Jan-2019	(125)
Bought CAD 1 430 Sold INR 77 176 @ 0.0185	23-Jan-2019	(79)
Bought CAD 1 270 Sold EUR 842 @ 1.5082	23-Jan-2019	(49)
Bought CAD 1 397 Sold EUR 928 @ 1.5050	23-Jan-2019	(57)
Bought CAD 1 053 Sold USD 798 @ 1.3200	23-Jan-2019	(35)
Bought CAD 4 328 Sold AUD 4 523 @ 0.9569	23-Jan-2019	(20)
Bought CAD 1 444 Sold AUD 1 509 @ 0.9569	23-Jan-2019	(7)
Bought CAD 1 102 Sold EUR 732 @ 1.5052	23-Jan-2019	(45)
Bought CAD 1 370 Sold USD 1 033 @ 1.3262	23-Jan-2019	(39)
Bought CAD 2 593 Sold MYR 8 202 @ 0.3162	23-Jan-2019	(117)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 412 Sold MYR 4 464 @ 0.3162	23-Jan-2019	\$ (63)
Bought CAD 1 831 Sold EUR 1 208 @ 1.5159	23-Jan-2019	(61)
Bought CAD 355 Sold CZK 6 111 @ 0.0581	23-Jan-2019	(16)
Bought CAD 259 Sold IDR 2 808 078 @ 0.0001	23-Jan-2019	(6)
Bought CAD 484 Sold COP 1 182 646 @ 0.0004	23-Jan-2019	(12)
Bought CAD 595 Sold UYU 14 631 @ 0.0407	23-Jan-2019	(19)
Bought CAD 1 172 Sold INR 62 882 @ 0.0186	23-Jan-2019	(58)
Bought CAD 1 146 Sold INR 61 486 @ 0.0186	23-Jan-2019	(57)
Bought CAD 1 146 Sold INR 61 570 @ 0.0186	23-Jan-2019	(59)
Bought CAD 1 172 Sold INR 62 968 @ 0.0186	23-Jan-2019	(60)
Bought CAD 154 Sold HKD 913 @ 0.1687	23-Jan-2019	(5)
Bought CAD 2 334 Sold MXN 36 000 @ 0.0648	23-Jan-2019	(157)
Bought CAD 1 449 Sold USD 1 100 @ 1.3169	23-Jan-2019	(52)
Bought CAD 497 Sold ARS 14 647 @ 0.0339	23-Jan-2019	(17)
Bought CAD 350 Sold THB 8 688 @ 0.0403	23-Jan-2019	(14)
Bought CAD 1 723 Sold IDR 18 816 408 @ 0.0001	23-Jan-2019	(55)
Bought CAD 2 574 Sold IDR 28 109 944 @ 0.0001	23-Jan-2019	(82)
Bought CAD 1 030 Sold USD 782 @ 1.3175	23-Jan-2019	(37)
Bought CAD 1 180 Sold JPY 100 000 @ 0.0118	23-Jan-2019	(67)
Bought CAD 3 193 Sold USD 2 392 @ 1.3348	23-Jan-2019	(71)
Bought CAD 860 Sold USD 642 @ 1.3390	23-Jan-2019	(16)
Bought CAD 1 270 Sold USD 948 @ 1.3390	23-Jan-2019	(24)
Bought CAD 57 Sold PHP 2 259 @ 0.0252	23-Jan-2019	(2)
Bought CAD 207 Sold IDR 2 268 058 @ 0.0001	23-Jan-2019	(7)
Bought CAD 138 Sold MYR 429 @ 0.3215	23-Jan-2019	(4)
Bought CAD 159 Sold TRY 653 @ 0.2437	23-Jan-2019	(7)
Bought CAD 236 Sold THB 5 774 @ 0.0409	23-Jan-2019	(6)
Bought CAD 121 Sold HUF 25 529 @ 0.0047	23-Jan-2019	(4)
Bought CAD 77 Sold RON 235 @ 0.3281	23-Jan-2019	(2)
Bought CAD 102 Sold CZK 1 724 @ 0.0592	23-Jan-2019	(3)
Bought CAD 1 914 Sold EUR 1 249 @ 1.5321	23-Jan-2019	(43)
Bought CAD 875 Sold ZAR 9 286 @ 0.0942	23-Jan-2019	(3)
Bought CAD 590 Sold ZAR 6 261 @ 0.0942	23-Jan-2019	(2)
Bought CAD 590 Sold ZAR 6 249 @ 0.0944	23-Jan-2019	(1)
Bought CAD 875 Sold ZAR 9 268 @ 0.0944	23-Jan-2019	(1)
Bought CAD 230 Sold PLN 644 @ 0.3571	23-Jan-2019	(5)
Bought CAD 265 Sold ZAR 2 815 @ 0.0941	23-Jan-2019	(1)
Bought CAD 2 100 Sold ZAR 22 711 @ 0.0925	23-Jan-2019	(48)
Bought CAD 1 620 Sold ZAR 17 520 @ 0.0925	23-Jan-2019	(37)
Bought CAD 776 Sold USD 580 @ 1.3379	23-Jan-2019	(15)
Bought CAD 3 090 Sold INR 167 993 @ 0.0184	23-Jan-2019	(196)
Bought CAD 1 650 Sold MXN 25 015 @ 0.0660	23-Jan-2019	(80)
Bought CAD 2 510 Sold MXN 38 053 @ 0.0660	23-Jan-2019	(122)
Bought CAD 723 Sold THB 17 755 @ 0.0407	23-Jan-2019	(22)
Bought CAD 987 Sold USD 739 @ 1.3358	23-Jan-2019	(21)
Bought CAD 320 Sold TRY 1 316 @ 0.2430	23-Jan-2019	(15)
Bought CAD 1 127 Sold EUR 744 @ 1.5144	23-Jan-2019	(39)
Bought CAD 2 006 Sold USD 1 500 @ 1.3371	23-Jan-2019	(41)
Bought CAD 2 176 Sold USD 1 617 @ 1.3455	23-Jan-2019	(30)
Bought CAD 146 Sold HKD 850 @ 0.1719	23-Jan-2019	(2)
Bought CAD 1 794 Sold USD 1 320 @ 1.3590	23-Jan-2019	(7)
Bought COP 1 084 461 Sold CAD 456 @ 2377.0260	23-Jan-2019	(1)
Bought COP 1 162 004 Sold CAD 489 @ 2377.0260	23-Jan-2019	(1)
Bought EUR 3 051 Sold PLN 13 175 @ 0.2316	23-Jan-2019	(27)

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought EUR 520 Sold HUF 168 169 @ 0.0031	23-Jan-2019	\$ (6)
Bought EUR 519 Sold HUF 168 169 @ 0.0031	23-Jan-2019	(7)
Bought EUR 519 Sold HUF 168 169 @ 0.0031	23-Jan-2019	(7)
Bought EUR 519 Sold HUF 168 169 @ 0.0031	23-Jan-2019	(7)
Bought RUB 13 222 Sold CAD 260 @ 50.9512	23-Jan-2019	(1)
Bought RUB 6 357 Sold CAD 126 @ 50.6037	23-Jan-2019	(2)
Bought RUB 73 023 Sold CAD 1 442 @ 50.6403	23-Jan-2019	(17)
Bought RUB 157 475 Sold CAD 3 109 @ 50.6513	23-Jan-2019	(35)
Bought RUB 556 867 Sold CAD 11 084 @ 50.2410	23-Jan-2019	(214)
Bought RUB 5 081 Sold CAD 100 @ 50.6065	23-Jan-2019	(1)
Bought RUB 34 920 Sold CAD 687 @ 50.8304	23-Jan-2019	(5)
Bought RUB 28 793 Sold CAD 566 @ 50.8705	23-Jan-2019	(4)
Bought ZAR 11 500 Sold CAD 1 111 @ 10.3545	23-Jan-2019	(23)
Bought ZAR 3 157 Sold CAD 300 @ 10.5113	23-Jan-2019	(2)
Bought ZAR 7 505 Sold CAD 714 @ 10.5113	23-Jan-2019	(4)
Bought ZAR 6 264 Sold CAD 600 @ 10.4348	23-Jan-2019	(8)
Bought ZAR 14 894 Sold CAD 1 427 @ 10.4348	23-Jan-2019	(19)
Bought ZAR 1 313 Sold CAD 126 @ 10.4494	23-Jan-2019	(1)
Bought ZAR 3 122 Sold CAD 299 @ 10.4494	23-Jan-2019	(4)
Bought ZAR 19 004 Sold CAD 1 831 @ 10.3790	23-Jan-2019	(34)
Bought ZAR 9 518 Sold CAD 917 @ 10.3790	23-Jan-2019	(17)
Bought CAD 460 Sold BRL 1 330 @ 0.3458	04-Feb-2019	(7)
Bought CAD 281 Sold BRL 811 @ 0.3464	04-Feb-2019	(4)
Bought CAD 6 755 Sold BRL 19 332 @ 0.3494	04-Feb-2019	(34)
Bought CAD 1 455 Sold BRL 4 195 @ 0.3468	04-Feb-2019	(18)
Bought CAD 2 594 Sold BRL 7 479 @ 0.3468	04-Feb-2019	(32)
		\$ (81 111)
TOTAL FOREIGN EXCHANGE		\$ (59 434)

All counterparties have a credit rating of at least A.

* Illiquid security.

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.60% and mature on March 7, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 735 389	\$ 1 600 357
Cash	39 623	71 878
Due from investment dealers	407	194
Subscriptions receivable	163	1 190
Unrealized gain on futures contracts	—	752
Futures contracts margin receivable	31 031	—
Unrealized gain on foreign exchange contracts	21 677	26 118
Receivable on open swap contracts	329	—
Dividends receivable, interest accrued and other assets	25 660	19 022
TOTAL ASSETS	1 854 279	1 719 511
LIABILITIES		
Due to investment dealers	30 951	4 801
Redemptions payable	1 468	469
Unrealized loss on futures contracts	99	106
Futures contracts margin payable	—	20 069
Unrealized loss on foreign exchange contracts	81 111	6 626
Distributions payable	128	155
Accounts payable and accrued expenses	434	465
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	114 191	32 691
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 740 088	\$ 1 686 820
Investments at cost	\$ 1 739 357	\$ 1 598 357
NAV		
SERIES A	\$ 25 911	\$ 34 078
ADVISOR SERIES	\$ 17 821	\$ 27 156
SERIES D	\$ 7 992	\$ 8 890
SERIES F	\$ 42 094	\$ 50 458
SERIES I	\$ 3 840	\$ 5 751
SERIES O	\$ 1 642 430	\$ 1 560 487
NAV PER UNIT		
SERIES A	\$ 8.77	\$ 9.48
ADVISOR SERIES	\$ 8.77	\$ 9.48
SERIES D	\$ 9.30	\$ 9.98
SERIES F	\$ 9.40	\$ 10.08
SERIES I	\$ 9.46	\$ 10.14
SERIES O	\$ 9.64	\$ 10.33

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 151	\$ 132
Interest for distribution purposes	96 420	83 664
Income from investment trusts	22	—
Derivative income	11 403	(2 313)
Net realized gain (loss) on investments	(56 135)	19 421
Change in unrealized gain (loss) on investments	(84 565)	4 183
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(32 704)	105 087
Other income (loss)	24	9
Net gain (loss) on foreign cash balances	1 884	8 433
TOTAL OTHER INCOME (LOSS)	1 908	8 442
TOTAL INCOME (LOSS)	(30 796)	113 529
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 285	1 757
Administration fees	3 629	3 126
Independent Review Committee costs	2	3
GST/HST	505	502
Transaction costs	52	12
Withholding tax	201	233
TOTAL EXPENSES	5 674	5 633
INCREASE (DECREASE) IN NAV	\$ (36 470)	\$ 107 896
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 006)	\$ 2 057
ADVISOR SERIES	\$ (726)	\$ 1 706
SERIES D	\$ (254)	\$ 567
SERIES F	\$ (1 315)	\$ 3 543
SERIES I	\$ (135)	\$ 596
SERIES O	\$ (33 034)	\$ 99 427
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.30)	\$ 0.53
ADVISOR SERIES	\$ (0.29)	\$ 0.54
SERIES D	\$ (0.28)	\$ 0.62
SERIES F	\$ (0.26)	\$ 0.65
SERIES I	\$ (0.26)	\$ 0.73
SERIES O	\$ (0.19)	\$ 0.72

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (36 470)	\$ 107 896
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(751)	(2 549)
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	55 871	(19 821)
Change in unrealized loss (gain) on investments	84 565	(4 183)
(Increase) decrease in accrued receivables	(5 886)	(3 270)
Increase (decrease) in accrued payables	(38)	—
(Increase) decrease in margin accounts	(51 100)	19 873
Cost of investments purchased	(2 518 743)	(2 589 252)
Proceeds from sale and maturity of investments	2 348 560	2 229 821
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(123 992)	(261 485)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	394 242	420 427
Cash paid on redemption of redeemable units	(278 654)	(204 552)
Distributions paid to holders of redeemable units	(23 851)	(20 731)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 91 737	\$ 195 144
Net increase (decrease) in cash for the period	(32 255)	(66 341)
Cash (bank overdraft), beginning of period	71 878	138 219
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 39 623	\$ 71 878
Interest received (paid)	\$ 89 031	\$ 78 375
Dividends received, net of withholding taxes	\$ —	\$ (92)



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 34 078	\$ 38 983	\$ 27 156	\$ 33 648	\$ 8 890	\$ 9 154	\$ 50 458	\$ 60 566
INCREASE (DECREASE) IN NAV	(1 006)	2 057	(726)	1 706	(254)	567	(1 315)	3 543
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	2 981	3 928	688	1 868	2 923	1 030	17 256	13 832
Reinvestments of distributions to holders of redeemable units	1 090	1 245	715	917	340	322	993	1 079
Redemption of redeemable units	(9 908)	(10 592)	(9 036)	(9 721)	(3 522)	(1 816)	(23 172)	(26 402)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 837)	(5 419)	(7 633)	(6 936)	(259)	(464)	(4 923)	(11 491)
Distributions from net income	(985)	(1 313)	(910)	(1 074)	(359)	(312)	(1 983)	(1 838)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	(339)	(230)	(66)	(188)	(26)	(55)	(143)	(322)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 324)	(1 543)	(976)	(1 262)	(385)	(367)	(2 126)	(2 160)
NET INCREASE (DECREASE) IN NAV	(8 167)	(4 905)	(9 335)	(6 492)	(898)	(264)	(8 364)	(10 108)
NAV AT END OF PERIOD	\$ 25 911	\$ 34 078	\$ 17 821	\$ 27 156	\$ 7 992	\$ 8 890	\$ 42 094	\$ 50 458

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 751	\$ 11 163	\$ 1 560 487	\$ 1 230 568	\$ 1 686 820	\$ 1 384 082
INCREASE (DECREASE) IN NAV	(135)	596	(33 034)	99 427	(36 470)	107 896
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	161	842	374 693	404 878	398 702	426 378
Reinvestments of distributions to holders of redeemable units	68	164	66 574	49 719	69 780	53 446
Redemption of redeemable units	(1 783)	(6 694)	(237 719)	(155 606)	(285 140)	(210 831)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 554)	(5 688)	203 548	298 991	183 342	268 993
Distributions from net income	(207)	(272)	(88 571)	(68 499)	(93 015)	(73 308)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	(15)	(48)	—	—	(589)	(843)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(222)	(320)	(88 571)	(68 499)	(93 604)	(74 151)
NET INCREASE (DECREASE) IN NAV	(1 911)	(5 412)	81 943	329 919	53 268	302 738
NAV AT END OF PERIOD	\$ 3 840	\$ 5 751	\$ 1 642 430	\$ 1 560 487	\$ 1 740 088	\$ 1 686 820

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide high regular monthly income and total returns comprised of interest income and modest capital appreciation.

Financial instrument risk and capital management (see note 5 in the generic notes)

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.1% (December 31, 2017 – 0.0%) of the NAV of the Fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	1.0	—
AA	1.4	0.1
A	6.7	6.3
BBB	19.4	17.4
BB	21.3	24.1
B	27.5	30.4
CCC	6.4	6.1
Unrated	16.3	15.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	24.5	24.1
Italy	8.0	2.2
United Kingdom	5.0	5.0
South Africa	3.8	3.2
Brazil	3.1	4.4
Mexico	2.9	4.0
China	2.8	3.0
Netherlands	2.7	3.4
Spain	2.4	2.6
Turkey	2.4	2.5

Investment mix	December 31 2018	December 31 2017
Colombia	2.2	1.8
Indonesia	2.2	2.2
Germany	2.1	1.0
France	1.7	1.7
Japan	1.7	2.0
Canada	1.6	0.8
Malaysia	1.6	1.8
Russia	1.6	2.9
India	1.3	0.9
Nigeria	1.2	1.0
Argentina	1.1	2.0
Peru	1.0	1.2
Chile	0.6	1.0
Other Countries	20.8	15.3
Cash/Other	1.7	10.0
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	3.9	3.7
1 – 5 years	35.2	30.7
5 – 10 years	39.0	43.5
> 10 years	21.9	22.1
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.4% (December 31, 2017 – 3.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Mexican peso	2.2	2.4
Colombian peso	2.2	1.1
Brazilian real	2.0	2.8
South African rand	1.9	2.0
Russian ruble	1.8	2.2
Malaysian ringgit	1.5	1.8
Indonesian rupiah	1.4	1.5
Thailand baht	1.4	1.4
Polish zloty	1.3	1.4
Peruvian nuevo sol	1.1	0.8

Please see the generic notes at the back of the financial statements.



December 31, 2018

Currency	December 31 2018	December 31 2017
Euro	1.0	–
Hong Kong dollar	0.9	0.8
Turkish new lira	0.9	–
Chinese renminbi	0.9	0.7
Chilean peso	0.8	–
Singapore dollar	0.8	0.6
Indian rupee	0.7	0.9
Czech koruna	0.7	0.8
Philippine peso	0.5	–
United States dollar	–	(0.5)
Argentinian peso	–	0.9
Hungarian forint	–	0.7
Other currencies	0.7	1.7
Total	24.7	24.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.2% (December 31, 2017 – 1.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

***Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)***

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	4 017	1 774	1 850	7 641
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 697 604	4 823	1 702 427
Short-term investments	–	25 321	–	25 321
Derivatives – assets	–	22 006	–	22 006
Derivatives – liabilities	(99)	(81 111)	–	(81 210)
Total financial instruments	3 918	1 665 594	6 673	1 676 185
% of total portfolio	0.2	99.4	0.4	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 345	3 412	273	5 030
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 523 373	–	1 523 373
Short-term investments	–	71 954	–	71 954
Derivatives – assets	752	26 118	–	26 870
Derivatives – liabilities	(106)	(6 626)	–	(6 732)
Total financial instruments	1 991	1 618 231	273	1 620 495
% of total portfolio	0.1	99.9	–	100.0

Please see the generic notes at the back of the financial statements.

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	273	292
Net purchases	–	–
Net sales	–	–
Net transfers in (out)	6 446	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	(46)	(19)
Balance at end of period	6 673	273
Change in unrealized gains (losses) for Level 3 assets held at end of period	(46)	(19)

During the year ended December 31, 2018, investments of \$6,446 (year ended December 31, 2017 – n/a) previously classified as Level 2 were transferred into Level 3 as observable inputs were no longer available.

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – 0.0%).



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.50%	0.20%
Advisor Series	1.50%	0.20%
Series D	0.90%	0.20%
Series F	0.75%	0.20%
Series I	0.75%	0.20%
Series O	n/a [†]	0.20%

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

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	76 559
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	3 595	4 165
Issued number of units	321	412
Reinvested number of units	119	131
Redeemed number of units	(1 080)	(1 113)
Ending number of units	2 955	3 595
Advisor Series		
Opening units	2 865	3 594
Issued number of units	74	196
Reinvested number of units	78	96
Redeemed number of units	(984)	(1 021)
Ending number of units	2 033	2 865
Series D		
Opening units	891	937
Issued number of units	292	104
Reinvested number of units	35	32
Redeemed number of units	(358)	(182)
Ending number of units	860	891

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	5 006	6 150
Issued number of units	1 753	1 373
Reinvested number of units	102	107
Redeemed number of units	(2 385)	(2 624)
Ending number of units	4 476	5 006
Series I		
Opening units	567	1 128
Issued number of units	16	84
Reinvested number of units	7	16
Redeemed number of units	(184)	(661)
Ending number of units	406	567
Series O		
Opening units	150 967	122 099
Issued number of units	37 007	39 154
Reinvested number of units	6 638	4 817
Redeemed number of units	(24 252)	(15 103)
Ending number of units	170 360	150 967

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	52	100	12	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	0.7	0.7
RBC Balanced Growth & Income Fund	5.6	6.1
RBC Conservative Growth & Income Fund	0.7	0.6
RBC Global Growth & Income Fund	0.3	0.1
RBC Select Balanced Portfolio	52.3	45.8
RBC Select Choices Balanced Portfolio	0.4	—
RBC Select Choices Growth Portfolio	0.3	—
RBC Select Growth Portfolio	10.0	8.8
Total	70.3	62.1



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	22 006	(81 210)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	22 006	(81 210)
Related amounts not set-off	(21 677)	21 677
Collateral (received) pledged	–	56 409
Net amount	329	(3 124)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	26 870	(6 732)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	26 870	(6 732)
Related amounts not set-off	(6 732)	6 732
Collateral (received) pledged	(19 962)	–
Net amount	176	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

BLUEBAY GLOBAL SOVEREIGN BOND FUND (CANADA)

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
GLOBAL BONDS						
Australia						
20 000	Australia Government AUD	2.750	21-Nov-2027	\$ 19 964	\$ 19 932	
				19 964	19 932	1.4
Belgium						
6 000	Belgium Government EUR	0.800	22-Jun-2027	8 407	9 514	
14 360	Belgium Government EUR	0.800	22-Jun-2028	22 184	22 526	
				30 591	32 040	2.2
Canada						
23 360	CPPIB Capital Inc. USD	2.302	27-Dec-2019	30 186	31 870	
60 000	Government of Canada	2.000	01-Nov-2020	60 142	60 150	
5 000	Government of Canada	0.500	01-Mar-2022	4 839	4 790	
40 000	Government of Canada	2.250	01-Jun-2025	39 677	40 808	
20 000	Province of Quebec EUR	0.875	05-Jul-2028	30 590	31 254	
				165 434	168 872	11.7
France						
30 000	France O.A.T. EUR	0.000	25-May-2022	43 189	47 421	
17 140	France O.A.T. EUR	1.000	25-May-2027	26 291	27 881	
12 500	France O.A.T. EUR	2.000	25-May-2048	20 251	21 238	
				89 731	96 540	6.7
Germany						
11 501	Bundesrepublik Deutschland Bundesanleihe EUR	1.000	15-Aug-2025	18 929	19 328	
1 821	Bundesrepublik Deutschland Bundesanleihe EUR	0.500	15-Feb-2028	2 799	2 933	
4 621	Deutsche Bank AG USD	2.500	13-Feb-2019	6 068	6 297	
10 877	Deutsche Bank AG USD	2.850	10-May-2019	14 267	14 761	
				42 063	43 319	3.0
Indonesia						
900 000	Government of Indonesia JPY	0.650	08-Jun-2020	10 687	11 249	
3 000 000	Government of Indonesia JPY	0.670	31-May-2021	35 391	37 440	
				46 078	48 689	3.4
Italy						
46 000	Buoni Poliennali Del Tesoro EUR	2.000	01-Feb-2028	64 603	68 888	
10 000	Buoni Poliennali Del Tesoro EUR	2.800	01-Dec-2028	14 574	15 747	
35 000	Buoni Poliennali Del Tesoro EUR	2.450	01-Sep-2033	48 994	51 141	
				128 171	135 776	9.4
Japan						
1 060 000	Development Bank of Japan Inc. JPY	1.700	20-Sep-2022	13 415	14 062	
2 700 000	Japanese Government CPI Linked JPY	0.100	10-Mar-2026	33 669	35 257	
300 000	Japanese Government CPI Linked JPY	0.100	10-Mar-2028	3 733	3 893	
3 210 000	Japan Government Twenty Year JPY	0.500	20-Sep-2036	36 713	40 614	
5 000 000	Japan Government Thirty Year JPY	0.600	20-Dec-2046	55 433	60 888	
600 000	Japan Government Thirty Year JPY	0.800	20-Dec-2047	7 198	7 655	
				150 161	162 369	11.3
Mexico						
394 000	Mexican Bonos MXN	6.500	09-Jun-2022	24 333	25 710	
9 234	Petroleos Mexicanos USD	6.000	05-Mar-2020	12 413	12 852	
410 000	Petroleos Mexicanos MXN	7.470	12-Nov-2026	23 530	21 013	
800 000	United Mexican States JPY	1.510	28-Oct-2020	9 859	10 192	
200 000	United Mexican States JPY	0.700	16-Jun-2021	2 438	2 512	
600 000	United Mexican States JPY	1.440	24-Jul-2024	7 126	7 802	
				79 699	80 081	5.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
New Zealand						
14 285	New Zealand Government NZD	2.500	20-Sep-2040	\$ 14 402	\$ 15 533	
				14 402	15 533	1.1
Panama						
500 000	Banco Latinoamericano de Comercio Exterior S.A. JPY	0.460	10-Jun-2019	5 799	6 239	
				5 799	6 239	0.4
Poland						
1 200 000	Government of Poland JPY	2.240	18-Feb-2021	15 800	15 519	
				15 800	15 519	1.1
Slovakia						
15 000	Slovakia Government EUR	3.375	15-Nov-2024	27 153	27 821	
6 000	Slovakia Government EUR	1.875	09-Mar-2037	8 318	9 995	
				35 471	37 816	2.6
South Africa						
75 000	Republic of South Africa ZAR	10.500	21-Dec-2026	7 139	7 768	
86 129	Republic of South Africa ZAR	8.750	28-Feb-2048	7 251	7 282	
				14 390	15 050	1.0
South Korea						
700 000	Export-Import Bank of Korea JPY	0.160	27-Dec-2019	8 466	8 720	
				8 466	8 720	0.6
Spain						
16 790	Autonomous Community of Catalonia EUR	4.950	11-Feb-2020	26 547	27 355	
7 000	Spain Government EUR	2.750	31-Oct-2024	11 749	12 268	
21 272	Spain Government EUR	1.400	30-Jul-2028	31 348	33 235	
5 000	Spain Government EUR	2.900	31-Oct-2046	7 760	8 384	
				77 404	81 242	5.6
Supranational						
125 000 000	European Investment Bank IDR	7.200	09-Jul-2019	11 295	11 841	
13 900	European Investment Bank EUR	0.375	16-Jul-2025	21 509	21 861	
200 000	European Investment Bank JPY	0.000	18-Jan-2033	2 208	2 389	
4 725	European Stability Mechanism EUR	0.100	31-Jul-2023	7 260	7 423	
7 030	International Bank for Reconstruction & Development EUR	1.200	08-Aug-2034	10 626	11 181	
				52 898	54 695	3.8
United Kingdom						
16 300	United Kingdom Gilt GBP	0.500	22-Jul-2022	27 430	28 076	
12 700	United Kingdom Gilt GBP	3.500	22-Jan-2045	29 584	29 696	
				57 014	57 772	4.0
United States						
58 211	United States Treasury	2.875	15-May-2028	77 064	80 724	
40 000	United States Treasury	2.875	15-Aug-2028	51 295	55 480	
20 000	United States Treasury	2.875	15-Nov-2046	25 434	26 571	
20 000	United States Treasury	2.750	15-Nov-2047	24 114	25 864	
51 920	United States Treasury Inflation Indexed	0.625	15-Apr-2023	67 033	69 773	
				244 940	258 412	17.9
TOTAL GLOBAL BONDS				1 278 476	1 338 616	92.8
SHORT-TERM INVESTMENTS*				37 623	37 623	2.6
TOTAL INVESTMENTS				1 316 099	1 376 239	95.4
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				—	(2 991)	(0.2)
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	9 010	0.6
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(71 889)	(5.0)
TOTAL PORTFOLIO				\$ 1 316 099	1 310 369	90.8
CASH					90 208	6.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					42 190	2.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 442 767	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(14) Australian 10-Year Commonwealth Treasury Bond Future, March 2019 Contracts at AUD 97.54 per contract	\$ (13 175)	\$ (19)
(166) Canadian 10-Year Bond Future, March 2019 Contracts at CAD 132.37 per contract	(21 974)	(730)
(78) Euro-Bund Future, March 2019 Contracts at EUR 162.33 per contract	(18 978)	(148)
(211) United Kingdom Long Gilt Future, March 2019 Contracts at GBP 122.20 per contract	(43 644)	(358)
(491) United States 2-Year Note Future, March 2019 Contracts at USD 105.43 per contract	(137 641)	(974)
(193) United States 10-Year Note Future, March 2019 Contracts at USD 119.12 per contract	(30 565)	(762)
TOTAL FUTURES	\$ (265 977)	\$ (2 991)

\$2 670 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 7 397 Sold ZAR 78 114 @ 0.0947	23-Jan-2019	\$ 10
Bought EUR 30 000 Sold CAD 45 188 @ 0.6639	23-Jan-2019	1 798
Bought EUR 20 000 Sold CAD 30 150 @ 0.6633	23-Jan-2019	1 174
Bought HUF 723 800 Sold CAD 3 372 @ 214.6408	23-Jan-2019	158
Bought IDR 112 000 000 Sold CAD 9 794 @ 11435.0352	23-Jan-2019	789
Bought IDR 61 550 000 Sold CAD 5 554 @ 11081.3230	23-Jan-2019	262
Bought IDR 61 550 000 Sold CAD 5 554 @ 11081.3630	23-Jan-2019	262
Bought JPY 170 000 Sold CAD 2 035 @ 83.5586	23-Jan-2019	85
Bought NOK 69 180 Sold CAD 10 800 @ 6.4056	23-Jan-2019	128
Bought NZD 18 000 Sold CAD 15 614 @ 1.1528	23-Jan-2019	877
Bought NZD 92 000 Sold CAD 83 718 @ 1.0989	23-Jan-2019	568
Bought SEK 74 165 Sold CAD 10 900 @ 6.8041	23-Jan-2019	538
Bought USD 5 000 Sold CAD 6 526 @ 0.7661	23-Jan-2019	296
Bought USD 7 000 Sold CAD 9 245 @ 0.7572	23-Jan-2019	306
Bought USD 10 000 Sold CAD 13 279 @ 0.7530	23-Jan-2019	364
Bought USD 50 000 Sold CAD 66 824 @ 0.7482	23-Jan-2019	1 395
		\$ 9 010

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 25 651 Sold IDR 306 557 734 @ 0.0001	23-Jan-2019	\$ (3 317)
Bought CAD 17 799 Sold AUD 19 185 @ 0.9278	23-Jan-2019	(646)
Bought CAD 65 959 Sold GBP 38 565 @ 1.7103	23-Jan-2019	(1 183)
Bought CAD 30 947 Sold NZD 36 233 @ 0.8541	23-Jan-2019	(2 248)
Bought CAD 3 507 Sold HUF 753 351 @ 0.0047	23-Jan-2019	(167)
Bought CAD 13 939 Sold MXN 207 084 @ 0.0673	23-Jan-2019	(387)
Bought CAD 248 258 Sold JPY 21 307 331 @ 0.0117	23-Jan-2019	(17 427)
Bought CAD 411 889 Sold USD 316 682 @ 1.3006	23-Jan-2019	(20 189)
Bought CAD 7 678 Sold ZAR 85 654 @ 0.0896	23-Jan-2019	(422)
Bought CAD 519 978 Sold EUR 344 549 @ 1.5092	23-Jan-2019	(19 666)
Bought CAD 3 921 Sold USD 3 000 @ 1.3072	23-Jan-2019	(172)
Bought CAD 26 138 Sold USD 20 000 @ 1.3069	23-Jan-2019	(1 149)
Bought CAD 3 868 Sold EUR 2 570 @ 1.5052	23-Jan-2019	(157)
Bought CAD 8 435 Sold MXN 130 000 @ 0.0649	23-Jan-2019	(558)
Bought CAD 6 570 Sold USD 5 023 @ 1.3080	23-Jan-2019	(283)
Bought CAD 5 350 Sold NOK 34 355 @ 0.1557	23-Jan-2019	(77)
Bought CAD 5 350 Sold NOK 34 320 @ 0.1559	23-Jan-2019	(71)
Bought CAD 59 515 Sold NZD 66 000 @ 0.9017	23-Jan-2019	(951)
Bought CAD 4 508 Sold USD 3 391 @ 1.3295	23-Jan-2019	(118)
Bought CAD 20 964 Sold NZD 23 000 @ 0.9115	23-Jan-2019	(107)
Bought CAD 5 157 Sold EUR 3 409 @ 1.5128	23-Jan-2019	(182)
Bought CAD 3 452 Sold USD 2 603 @ 1.3261	23-Jan-2019	(100)
Bought CAD 23 239 Sold MXN 352 000 @ 0.0660	23-Jan-2019	(1 112)
Bought CAD 15 213 Sold EUR 10 000 @ 1.5213	23-Jan-2019	(449)
Bought CAD 5 215 Sold EUR 3 385 @ 1.5406	23-Jan-2019	(87)
Bought CAD 4 107 Sold JPY 337 000 @ 0.0122	23-Jan-2019	(95)
Bought NOK 137 617 Sold CAD 21 853 @ 6.2974	23-Jan-2019	(115)
Bought NOK 1 406 Sold CAD 223 @ 6.3051	23-Jan-2019	(1)
Bought USD 1 295 Sold IDR 19 999 000 @ 0.0001	23-Jan-2019	(123)
Bought USD 1 549 Sold IDR 23 937 736 @ 0.0001	23-Jan-2019	(148)
Bought USD 1 829 Sold IDR 28 345 528 @ 0.0001	23-Jan-2019	(182)
		\$ (71 889)
TOTAL FOREIGN EXCHANGE		\$ (62 879)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.64% and mature on March 7, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 376 239	\$ 1 140 541
Cash	90 208	103 845
Due from investment dealers	1 133	—
Subscriptions receivable	29	112
Unrealized gain on futures contracts	—	678
Futures contracts margin receivable	38 699	—
Unrealized gain on foreign exchange contracts	9 010	9 724
Dividends receivable, interest accrued and other assets	7 523	5 864
TOTAL ASSETS	1 522 841	1 260 764
LIABILITIES		
Redemptions payable	5 119	97
Unrealized loss on futures contracts	2 991	—
Futures contracts margin payable	—	5 961
Unrealized loss on foreign exchange contracts	71 889	5 380
Distributions payable	2	—
Accounts payable and accrued expenses	73	58
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	80 074	11 496
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 442 767	\$ 1 249 268
Investments at cost	\$ 1 316 099	\$ 1 142 748
NAV		
SERIES A	\$ 156	\$ 15
ADVISOR SERIES	\$ 263	\$ 80
SERIES D	\$ 220	\$ 133
SERIES F	\$ 8 418	\$ 566
SERIES O	\$ 1 433 710	\$ 1 248 474
NAV PER UNIT		
SERIES A	\$ 10.04	\$ 10.08
ADVISOR SERIES	\$ 10.05	\$ 10.09
SERIES D	\$ 10.07	\$ 10.11
SERIES F	\$ 10.07	\$ 10.10
SERIES O	\$ 10.07	\$ 10.10

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 30 094	\$ 22 037
Derivative income	(4 466)	(7 248)
Net realized gain (loss) on investments	6 179	7 480
Change in unrealized gain (loss) on investments	(4 876)	1 514
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	26 931	23 783
Net gain (loss) on foreign cash balances	3 923	12 085
TOTAL OTHER INCOME (LOSS)	3 923	12 085
TOTAL INCOME (LOSS)	30 854	35 868
EXPENSES (see notes – Fund Specific Information)		
Management fees	26	2
Administration fees	702	457
Independent Review Committee costs	2	3
GST/HST	75	47
Withholding tax	2	62
TOTAL EXPENSES	807	571
INCREASE (DECREASE) IN NAV	\$ 30 047	\$ 35 297
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1	\$ —
ADVISOR SERIES	\$ 2	\$ 1
SERIES D	\$ 3	\$ 1
SERIES F	\$ 89	\$ 5
SERIES O	\$ 29 952	\$ 35 290
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.03	\$ 0.25
ADVISOR SERIES	\$ 0.06	\$ 0.34
SERIES D	\$ 0.11	\$ 0.31
SERIES F	\$ 0.27	\$ 0.32
SERIES O	\$ 0.22	\$ 0.39



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 30 047	\$ 35 297
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(54)	(743)
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(6 218)	(7 482)
Change in unrealized loss (gain) on investments	4 876	(1 514)
(Increase) decrease in accrued receivables	(981)	(6 032)
Increase (decrease) in accrued payables	3 006	54
(Increase) decrease in margin accounts	(44 660)	5 317
Cost of investments purchased	(3 142 517)	(2 185 517)
Proceeds from sale and maturity of investments	2 974 305	1 162 058
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(182 196)	(998 562)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	273 411	1 113 742
Cash paid on redemption of redeemable units	(101 673)	(14 666)
Distributions paid to holders of redeemable units	(3 179)	(1 914)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 168 559	\$ 1 097 162
Net increase (decrease) in cash for the period	(13 637)	98 600
Cash (bank overdraft), beginning of period	103 845	5 245
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 90 208	\$ 103 845
Interest received (paid)	\$ 28 381	\$ 15 940
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 15	\$ 1	\$ 80	\$ 1	\$ 133	\$ 1	\$ 566	\$ 1
INCREASE (DECREASE) IN NAV	1	—	2	1	3	1	89	5
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	194	20	186	79	315	155	10 893	1 473
Reinvestments of distributions to holders of redeemable units	1	—	1	—	3	2	46	6
Redemption of redeemable units	(53)	(6)	(3)	—	(230)	(24)	(3 080)	(911)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	142	14	184	79	88	133	7 859	568
Distributions from net income	(1)	—	(1)	—	(2)	(1)	(44)	(3)
Distributions from net gains	(1)	—	(2)	(1)	(2)	(1)	(52)	(5)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2)	—	(3)	(1)	(4)	(2)	(96)	(8)
NET INCREASE (DECREASE) IN NAV	141	14	183	79	87	132	7 852	565
NAV AT END OF PERIOD	\$ 156	\$ 15	\$ 263	\$ 80	\$ 220	\$ 133	\$ 8 418	\$ 566

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 248 474	\$ 119 306	\$ 1 249 268	\$ 119 310
INCREASE (DECREASE) IN NAV	29 952	35 290	30 047	35 297
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	265 246	1 110 642	276 834	1 112 369
Reinvestments of distributions to holders of redeemable units	31 683	30 172	31 734	30 180
Redemption of redeemable units	(106 835)	(14 857)	(110 201)	(15 798)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	190 094	1 125 957	198 367	1 126 751
Distributions from net income	(25 950)	(19 204)	(25 998)	(19 208)
Distributions from net gains	(8 860)	(12 875)	(8 917)	(12 882)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(34 810)	(32 079)	(34 915)	(32 090)
NET INCREASE (DECREASE) IN NAV	185 236	1 129 168	193 499	1 129 958
NAV AT END OF PERIOD	\$ 1 433 710	\$ 1 248 474	\$ 1 442 767	\$ 1 249 268

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	47.5	47.2
AA	4.7	0.9
A	18.8	26.2
BBB	19.8	20.1
BB	3.2	3.2
Unrated	6.0	2.4
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	17.9	11.1
Japan	11.3	10.7
Italy	9.4	8.3
Mexico	5.6	3.2
Spain	5.6	2.1
Supranational	3.8	0.2
Germany	3.0	8.9
Australia	1.4	9.6
New Zealand	1.1	1.2
Macedonia	–	1.4
Other Countries	33.7	29.0
Cash/Other	7.2	14.3
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	6.0	10.8
1 – 5 years	27.9	29.5
5 – 10 years	39.7	35.1
> 10 years	26.4	24.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 7.0% (December 31, 2017 – 6.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 338 616	–	1 338 616
Short-term investments	–	37 623	–	37 623
Derivatives – assets	–	9 010	–	9 010
Derivatives – liabilities	(2 991)	(71 889)	–	(74 880)
Total financial instruments	(2 991)	1 313 360	–	1 310 369
% of total portfolio	(0.2)	100.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 070 930	–	1 070 930
Short-term investments	–	69 611	–	69 611
Derivatives – assets	678	9 724	–	10 402
Derivatives – liabilities	–	(5 380)	–	(5 380)
Total financial instruments	678	1 144 885	–	1 145 563
% of total portfolio	0.1	99.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.35%	0.05%
Advisor Series	1.35%	0.05%
Series D	0.85%	0.05%
Series F	0.60%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	103	102
Advisor Series	103	101
Series D	103	102
Series F	104	102
Value of all units	4	4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1	–
Issued number of units	20	2
Reinvested number of units	–	–
Redeemed number of units	(5)	(1)
Ending number of units	16	1
Advisor Series		
Opening units	8	–
Issued number of units	18	8
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	26	8

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	13	–
Issued number of units	32	15
Reinvested number of units	–	–
Redeemed number of units	(23)	(2)
Ending number of units	22	13
Series F		
Opening units	56	–
Issued number of units	1 081	144
Reinvested number of units	5	1
Redeemed number of units	(306)	(89)
Ending number of units	836	56
Series O		
Opening units	123 616	11 896
Issued number of units	26 326	110 189
Reinvested number of units	3 147	2 991
Redeemed number of units	(10 674)	(1 460)
Ending number of units	142 415	123 616

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.1	0.1
RBC Retirement 2030 Portfolio	0.1	0.1
RBC Retirement 2035 Portfolio	0.1	0.1
RBC Retirement 2040 Portfolio	0.1	–
RBC Retirement 2045 Portfolio	0.1	–
RBC Retirement 2050 Portfolio	–	–
RBC Retirement Income Solution	–	–
RBC Select Balanced Portfolio	27.2	26.3
RBC Select Choices Balanced Portfolio	0.3	–
RBC Select Choices Conservative Portfolio	0.3	–
RBC Select Choices Growth Portfolio	0.3	–
RBC Select Conservative Portfolio	36.0	36.9
RBC Select Growth Portfolio	8.9	8.6
RBC Select Very Conservative Portfolio	12.6	14.2
Total	86.2	86.4

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	9 010	(74 880)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	9 010	(74 880)
Related amounts not set-off	(9 010)	9 010
Collateral (received) pledged	–	64 390
Net amount	–	(1 481)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	10 402	(5 380)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	10 402	(5 380)
Related amounts not set-off	(5 380)	5 380
Collateral (received) pledged	(678)	–
Net amount	4 344	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
**BLUEBAY GLOBAL INVESTMENT GRADE
CORPORATE BOND FUND (CANADA)**

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
EQUITIES						
United States						
253 029	NuStar Energy LP, Preferred Series B, 7.625%			\$ 8 096	\$ 6 237	
TOTAL EQUITIES				8 096	6 237	0.3
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
12 500	Transurban Finance Co. Pty Ltd. CAD	3.368	06-Mar-2019	\$ 12 902	\$ 12 526	
				12 902	12 526	0.6
Bermuda						
3 907	Bacardi Ltd. USD	5.300	15-May-2048	4 979	4 838	
5 000	Enstar Group Ltd. USD	4.500	10-Mar-2022	6 748	6 876	
				11 727	11 714	0.6
Brazil						
1 320	Vale Canada Ltd. USD	7.200	15-Sep-2032	1 804	1 993	
				1 804	1 993	0.1
Canada						
10 000	Alimentation Couche-Tard Inc.	3.319	01-Nov-2019	10 196	10 054	
8 797	Brookfield Asset Management Inc.	5.300	01-Mar-2021	9 168	9 175	
25 000	Canadian Natural Resources Ltd.	3.050	19-Jun-2019	25 524	25 049	
4 400	Canadian Natural Resources Ltd.	4.850	30-May-2047	4 450	4 366	
6 000	Cenovus Energy Inc. USD	6.750	15-Nov-2039	8 839	8 023	
5 100	Cenovus Energy Inc. USD	5.200	15-Sep-2043	6 499	5 960	
5 000	Enbridge Inc.	4.100	22-Feb-2019	5 011	4 967	
20 000	Enbridge Inc.	4.770	02-Sep-2019	20 850	20 287	
10 500	Fairfax Financial Holdings Ltd.	4.700	16-Dec-2026	10 917	10 748	
15 000	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	14 999	14 702	
6 600	Fairfax Financial Holdings Ltd. EUR	2.750	29-Mar-2028	10 379	10 281	
39 500	Ford Credit Canada Co.	3.140	14-Jun-2019	40 133	39 550	
6 411	Ford Credit Canada Co.	2.923	16-Sep-2020	6 430	6 313	
34 239	Ford Credit Canada Co.	2.580	10-May-2021	33 511	33 044	
15 000	General Motors Financial of Canada Ltd.	3.080	22-May-2020	15 160	14 965	
12 900	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	12 815	12 758	
9 851	Loblaw Companies Ltd.	3.748	12-Mar-2019	10 239	9 885	
10 000	Metro Inc.	4.270	04-Dec-2047	9 990	9 306	
30 512	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	30 125	30 183	
34 386	Rogers Communications Inc.	2.800	13-Mar-2019	35 134	34 419	
29 237	SNC-Lavalin Group Inc.	2.689	24-Nov-2020	29 114	29 006	
21 300	VW Credit Canada Inc.	2.900	29-Mar-2021	21 184	21 166	
				370 667	364 207	17.2
France						
4 900	Electricite de France S.A. EUR	5.375	Perpetual	7 599	7 856	
3 100	Electricite de France S.A. GBP	6.000	Perpetual	5 725	5 259	
6 800	TDF Infrastructure S.A.S. EUR	2.500	07-Apr-2026	10 128	10 803	
				23 452	23 918	1.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Germany						
3 479	Bundesrepublik Deutschland EUR	1.750	15-Feb-2024	\$ 5 808	\$ 6 012	
8 800	Bundesrepublik Deutschland EUR	1.000	15-Aug-2024	14 121	14 719	
4 410	Bundesrepublik Deutschland EUR	0.500	15-Feb-2025	6 824	7 180	
10 363	Bundesrepublik Deutschland EUR	0.500	15-Feb-2026	16 172	16 855	
10 600	Bundesrepublik Deutschland EUR	0.000	15-Aug-2026	15 858	16 580	
7 113	Bundesrepublik Deutschland EUR	0.250	15-Feb-2027	10 739	11 300	
6 806	Bundesrepublik Deutschland EUR	0.500	15-Aug-2027	10 483	11 005	
3 105	Bundesrepublik Deutschland EUR	4.000	04-Jan-2037	7 193	7 657	
12 039	Bundesrepublik Deutschland Bundesanleihe EUR	1.000	15-Aug-2025	19 458	20 233	
9 872	Bundesrepublik Deutschland Bundesanleihe EUR	0.500	15-Feb-2028	15 104	15 899	
36 000	Bundesrepublik Deutschland Bundesanleihe EUR	0.250	15-Aug-2028	53 925	56 373	
40 932	Deutsche Bank AG USD	2.500	13-Feb-2019	54 159	55 776	
18 800	Deutsche Bank AG USD	2.850	10-May-2019	24 025	25 514	
9 470	Deutsche Bank AG USD	4.250	04-Feb-2021	12 153	12 745	
9 330	Deutsche Bank AG USD	4.875	01-Dec-2032	11 954	9 920	
3 580	Roadster Finance Designated Activity Co. EUR	1.625	09-Dec-2024	5 391	5 335	
3 580	Roadster Finance Designated Activity Co. EUR	2.375	08-Dec-2027	5 390	5 181	
13 600	ZF North America Capital Inc.	4.000	29-Apr-2020	17 719	18 486	
				306 476	316 770	15.0
Iceland						
1 900	Landsbankinn hf. EUR	1.625	15-Mar-2021	2 727	3 012	
				2 727	3 012	0.1
Indonesia						
6 060	Indonesia Asahan Aluminium Persero PT USD	5.710	15-Nov-2023	7 848	8 431	
				7 848	8 431	0.4
Ireland						
10 000	Shire Acquisitions Investments Ireland DAC USD	1.900	23-Sep-2019	12 487	13 463	
				12 487	13 463	0.6
Italy						
2 341	Intesa Sanpaolo S.p.A. EUR	6.250	Perpetual	3 602	3 497	
6 839	Intesa Sanpaolo S.p.A. EUR	7.750	Perpetual	10 414	11 235	
7 392	UniCredit S.p.A. USD	5.861	19-Jun-2032	8 690	8 892	
3 400	UniCredit S.p.A. EUR	9.250	Perpetual	5 328	5 751	
				28 034	29 375	1.4
Japan						
18 690	Mitsubishi UFJ Trust & Banking Corp. USD	2.650	19-Oct-2020	23 498	25 207	
8 400	Takeda Pharmaceutical Co. Ltd. USD	3.800	26-Nov-2020	11 061	11 540	
				34 559	36 747	1.7
Macau						
5 890	Sands China Ltd. USD	5.400	08-Aug-2028	7 602	7 780	
				7 602	7 780	0.4
Netherlands						
7 110	Enel Finance International N.V. USD	4.625	14-Sep-2025	9 265	9 331	
9 179	Enel Finance International N.V. USD	4.875	14-Jun-2029	11 940	11 985	
				21 205	21 316	1.0
Poland						
22 075	Powszechna Kasa Oszczednosci Bank Polski S.A. EUR	2.324	23-Jan-2019	33 818	34 603	
				33 818	34 603	1.6
Spain						
12 210	FCC Aqualia S.A. EUR	2.629	08-Jun-2027	18 479	18 914	
4 300	Telefonica Europe BV EUR	2.625	Perpetual	6 554	6 199	
1 900	Telefonica Europe BV EUR	3.875	Perpetual	3 052	2 697	
				28 085	27 810	1.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Switzerland						
10 000	Credit Suisse Group Funding Guernsey Ltd. USD	2.750	26-Mar-2020	\$ 12 643	\$ 13 507	
21 595	Credit Suisse Group Funding Guernsey Ltd. USD	3.125	10-Dec-2020	28 142	29 201	
2 568	Syngenta Finance N.V. USD	5.182	24-Apr-2028	3 223	3 259	
3 542	Syngenta Finance N.V. USD	5.676	24-Apr-2048	4 457	4 015	
				48 465	49 982	2.4
United Arab Emirates						
5 400	DP World Ltd. EUR	2.375	25-Sep-2026	8 105	8 333	
6 270	DP World Ltd. GBP	4.250	25-Sep-2030	10 570	10 801	
				18 675	19 134	0.9
United Kingdom						
929	AA Bond Co. Ltd. GBP	2.875	31-Jan-2022	1 561	1 507	
5 550	AA Bond Co. Ltd. GBP	4.875	31-Jul-2024	9 621	9 209	
4 245	BAA Funding Ltd. CAD	4.000	03-Jul-2019	4 400	4 281	
26 682	Barclays Plc. USD	2.750	08-Nov-2019	33 906	36 189	
35 000	Barclays Plc. USD	2.875	08-Jun-2020	44 964	46 966	
3 665	Channel Link Enterprises Finance Plc. EUR	2.706	30-Jun-2050	5 563	5 780	
4 131	RAC Bond Co. Plc. GBP	4.565	06-May-2023	7 446	7 077	
5 000	Standard Chartered Plc. USD	2.250	17-Apr-2020	6 187	6 713	
9 000	United Kingdom Gilt GBP	1.500	22-Jul-2047	14 629	14 562	
				128 277	132 284	6.3
United States						
1 690	Albemarle Corp.	5.450	01-Dec-2044	2 464	2 317	
15 400	Anheuser-Busch InBev Finance Inc. CAD	4.320	15-May-2047	15 515	14 145	
10 000	AT&T Inc. CAD	3.825	25-Nov-2020	10 332	10 152	
6 150	AT&T Inc. EUR	3.150	04-Sep-2036	9 335	9 204	
12 500	AT&T Inc. CAD	4.850	25-May-2047	12 420	11 638	
6 870	Athene Holding Ltd.	4.125	12-Jan-2028	8 551	8 540	
12 097	Bank of America Corp.	4.271	23-Jul-2029	16 075	16 467	
4 776	Basin Electric Power Cooperative	4.750	26-Apr-2047	6 470	6 623	
17 730	Bayer US Finance II LLC	3.500	25-Jun-2021	23 165	24 047	
6 726	Bayer US Finance II LLC	4.375	15-Dec-2028	8 564	8 790	
6 150	Brighthouse Financial Inc.	3.700	22-Jun-2027	8 150	7 111	
6 749	Brighthouse Financial Inc.	4.700	22-Jun-2047	8 617	6 892	
8 950	Buckeye Partners LP	4.875	01-Feb-2021	11 858	12 360	
3 570	Carlyle Finance LLC	5.650	15-Sep-2048	4 701	4 859	
6 660	Celgene Corp.	4.550	20-Feb-2048	8 347	7 920	
9 750	Citigroup Inc.	2.500	29-Jul-2019	13 008	13 267	
12 419	Citigroup Inc.	4.075	23-Apr-2029	16 168	16 565	
15 733	Citrix Systems Inc.	4.500	01-Dec-2027	19 834	20 578	
9 620	Cleco Corporate Holdings LLC	4.973	01-May-2046	13 361	12 908	
15 479	CVS Health Corp.	4.780	25-Mar-2038	19 954	20 334	
7 812	DCP Midstream Operating LP	5.850	21-May-2043	9 377	8 585	
5 324	Diamond 1 Finance Corp.	4.420	15-Jun-2021	7 084	7 261	
3 992	Diamond 1 Finance Corp.	8.350	15-Jul-2046	6 720	5 924	
4 902	Discover Bank	3.100	04-Jun-2020	6 161	6 648	
2 830	Discovery Communications LLC	2.200	20-Sep-2019	3 430	3 824	
2 697	Discovery Communications LLC	5.000	20-Sep-2037	3 267	3 429	
5 022	Discovery Communications LLC	4.950	15-May-2042	6 135	6 099	
16 360	DowDuPont Inc.	3.766	15-Nov-2020	21 656	22 554	
8 510	Enable Midstream Partners LP	4.950	15-May-2028	10 883	11 024	
7 579	Enable Midstream Partners LP	5.000	15-May-2044	9 187	8 542	
7 260	Energy Transfer Partners LP	6.125	15-Dec-2045	10 157	9 736	
19 944	EQT Corp.	2.500	01-Oct-2020	25 165	26 630	
6 600	EQT Midstream Partners LP	5.500	15-Jul-2028	8 747	8 846	
9 540	EQT Midstream Partners LP	6.500	15-Jul-2048	12 661	12 880	
5 000	Ford Motor Credit Co. LLC	2.375	12-Mar-2019	6 694	6 815	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
12 590	Ford Motor Credit Co. LLC	2.262	28-Mar-2019	\$ 17 176	\$ 17 140	
5 307	General Mills Inc.	4.700	17-Apr-2048	6 714	6 665	
15 820	General Motors Co.	5.400	01-Apr-2048	20 312	18 477	
33 250	General Motors Financial Co. Inc.	3.100	15-Jan-2019	44 942	45 391	
5 500	General Motors Financial Co. Inc.	2.350	04-Oct-2019	6 972	7 444	
6 870	Halfmoon Parent Inc.	4.900	15-Dec-2048	9 011	9 225	
12 000	Hewlett Packard Enterprise Co.	3.600	15-Oct-2020	15 845	16 429	
7 000	Hewlett Packard Enterprise Co.	6.350	15-Oct-2045	9 597	8 958	
5 875	Hospitality Properties Trust	4.950	15-Feb-2027	7 976	7 876	
13 000	International Lease Finance Corp.	6.250	15-May-2019	18 192	17 906	
4 184	Jefferies Group LLC	4.150	23-Jan-2030	5 142	4 912	
7 000	Jefferies Group LLC	6.500	20-Jan-2043	9 948	9 715	
13 855	Jimmy Johns Funding LLC	4.846	30-Jul-2047	18 230	19 179	
12 500	JPMorgan Chase & Co.	4.452	05-Dec-2029	16 887	17 389	
4 167	Kinder Morgan Energy Partners LP	2.650	01-Feb-2019	5 628	5 686	
10 100	Kinder Morgan Energy Partners LP	5.300	15-Sep-2020	13 565	14 165	
10 583	Kinder Morgan Energy Partners LP	3.500	01-Mar-2021	13 945	14 418	
11 335	Kraft Heinz Foods Co.	4.375	01-Jun-2046	13 736	12 812	
12 620	Maple Escrow Subsidiary Inc.	4.597	25-May-2028	16 203	17 141	
3 550	Maple Escrow Subsidiary Inc.	4.985	25-May-2038	4 545	4 666	
20 346	Metropolitan Life Global Funding I CAD	2.682	16-Apr-2019	20 754	20 379	
6 428	Motorola Solutions Inc.	5.500	01-Sep-2044	8 274	8 010	
13 510	Santander Holdings USA Inc.	4.450	03-Dec-2021	17 892	18 775	
13 180	Santander Holdings USA Inc.	4.400	13-Jul-2027	16 879	17 065	
2 580	Southern Power Co.	4.950	15-Dec-2046	3 420	3 301	
10 000	Synchrony Financial	2.600	15-Jan-2019	13 808	13 647	
8 661	Taco Bell Funding LLC	4.940	25-Nov-2048	11 482	12 033	
6 000	The Goldman Sachs Group Inc. CAD	3.550	12-Feb-2021	6 081	6 040	
7 560	UnitedHealth Group Inc.	4.450	15-Dec-2048	10 052	10 666	
2 900	United States Treasury	2.875	30-Sep-2023	3 755	4 024	
29 450	United States Treasury	2.875	15-May-2028	38 296	40 840	
3 700	United States Treasury	2.875	15-Aug-2028	4 833	5 132	
41 998	United States Treasury	3.000	15-Feb-2048	52 703	57 083	
17 170	United States Treasury	3.000	15-Aug-2048	21 904	23 353	
5 980	Walgreens Boots Alliance Inc.	4.650	01-Jun-2046	7 696	7 397	
				896 608	906 853	42.8
TOTAL BONDS				1 995 418	2 021 918	95.5
SHORT-TERM INVESTMENTS*				46 697	46 697	2.2
TOTAL INVESTMENTS				2 050 211	2 074 852	98.0
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				—	(336)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	1 319	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(74 060)	(3.5)
TOTAL PORTFOLIO				\$ 2 050 211	2 001 775	94.6
CASH					68 212	3.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					47 025	2.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 2 117 012	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(46) CME Ultra Long Term U.S. Treasury Bond Future, March 2019 Contracts at USD 156.50 per contract	\$ (9 611)	\$ (261)
(19) United States 10-Year Note Future, March 2019 Contracts at USD 119.12 per contract	(3 009)	(75)
TOTAL FUTURES	\$ (12 620)	\$ (336)

\$800 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 2 740 Sold CAD 4 154 @ 0.6595	23-Jan-2019	\$ 137
Bought GBP 10 000 Sold CAD 16 976 @ 0.5891	23-Jan-2019	434
Bought USD 4 765 Sold CAD 6 237 @ 0.7640	23-Jan-2019	265
Bought USD 3 688 Sold CAD 4 869 @ 0.7574	23-Jan-2019	162
Bought USD 15 000 Sold CAD 20 145 @ 0.7446	23-Jan-2019	321
		\$ 1 319

Contracts	Maturity Date	Unrealized Loss
Bought CAD 73 428 Sold GBP 42 847 @ 1.7137	23-Jan-2019	\$ (1 169)
Bought CAD 329 887 Sold EUR 218 445 @ 1.5102	23-Jan-2019	(12 247)
Bought CAD 298 619 Sold USD 229 382 @ 1.3018	23-Jan-2019	(14 347)
Bought CAD 286 599 Sold USD 220 295 @ 1.3010	23-Jan-2019	(13 968)
Bought CAD 310 388 Sold USD 238 745 @ 1.3001	23-Jan-2019	(15 351)
Bought CAD 314 370 Sold USD 241 878 @ 1.2997	23-Jan-2019	(15 645)
Bought CAD 6 578 Sold USD 5 000 @ 1.3155	23-Jan-2019	(244)
Bought CAD 26 334 Sold USD 20 000 @ 1.3167	23-Jan-2019	(954)
Bought CAD 8 188 Sold USD 6 100 @ 1.3422	23-Jan-2019	(135)
		\$ (74 060)
TOTAL FOREIGN EXCHANGE		\$ (72 741)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.53% and mature on March 7, 2019.



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

Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 074 852	\$ 1 764 067
Cash	68 212	56 577
Subscriptions receivable	1 308	3 124
Unrealized gain on futures contracts	—	852
Futures contracts margin receivable	37 756	—
Unrealized gain on foreign exchange contracts	1 319	25 912
Dividends receivable, interest accrued and other assets	17 733	16 661
TOTAL ASSETS	2 201 180	1 867 193
LIABILITIES		
Due to investment dealers	5 526	6 192
Redemptions payable	4 134	183
Unrealized loss on futures contracts	336	445
Futures contracts margin payable	—	24 625
Unrealized loss on foreign exchange contracts	74 060	1 005
Distributions payable	2	—
Accounts payable and accrued expenses	110	85
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	84 168	32 535
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 117 012	\$ 1 834 658
Investments at cost	\$ 2 050 211	\$ 1 768 046
NAV		
SERIES A	\$ 2 422	\$ 167
ADVISOR SERIES	\$ 694	\$ 23
SERIES D	\$ 110	\$ 368
SERIES F	\$ 13 065	\$ 3 929
SERIES O	\$ 2 100 721	\$ 1 830 171
NAV PER UNIT		
SERIES A	\$ 9.83	\$ 10.40
ADVISOR SERIES	\$ 9.84	\$ 10.40
SERIES D	\$ 9.84	\$ 10.41
SERIES F	\$ 9.83	\$ 10.40
SERIES O	\$ 9.82	\$ 10.39

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 580	\$ 277
Interest for distribution purposes	71 815	46 282
Derivative income	(7 354)	(5 697)
Net realized gain (loss) on investments	(35 227)	14 099
Change in unrealized gain (loss) on investments	(69 028)	19 370
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(39 214)	74 331
Other income (loss)	—	36
Net gain (loss) on foreign cash balances	2 222	14 131
TOTAL OTHER INCOME (LOSS)	2 222	14 167
TOTAL INCOME (LOSS)	(36 992)	88 498
EXPENSES (see notes – Fund Specific Information)		
Management fees	115	5
Administration fees	1 001	675
Independent Review Committee costs	2	3
GST/HST	112	71
Withholding tax	122	100
TOTAL EXPENSES	1 352	854
INCREASE (DECREASE) IN NAV	\$ (38 344)	\$ 87 644
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (41)	\$ 3
ADVISOR SERIES	\$ (12)	\$ 1
SERIES D	\$ (6)	\$ 8
SERIES F	\$ (312)	\$ 32
SERIES O	\$ (37 973)	\$ 87 600
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.25)	\$ 0.43
ADVISOR SERIES	\$ (0.30)	\$ 0.39
SERIES D	\$ (0.38)	\$ 0.53
SERIES F	\$ (0.22)	\$ 0.88
SERIES O	\$ (0.19)	\$ 0.68

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (38 344)	\$ 87 644
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(1)	(10)
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	35 227	(14 099)
Change in unrealized loss (gain) on investments	69 028	(19 370)
(Increase) decrease in accrued receivables	(220)	(16 243)
Increase (decrease) in accrued payables	(84)	460
(Increase) decrease in margin accounts	(62 381)	24 838
Cost of investments purchased	(2 654 952)	(3 347 511)
Proceeds from sale and maturity of investments	2 336 895	1 745 104
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(314 832)	(1 539 187)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	435 423	1 614 765
Cash paid on redemption of redeemable units	(100 728)	(22 092)
Distributions paid to holders of redeemable units	(8 228)	(3 615)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 326 467	\$ 1 589 058
Net increase (decrease) in cash for the period	11 635	49 871
Cash (bank overdraft), beginning of period	56 577	6 706
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 68 212	\$ 56 577
Interest received (paid)	\$ 70 742	\$ 30 876
Dividends received, net of withholding taxes	\$ 458	\$ 213

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 167	\$ 1	\$ 23	\$ 1	\$ 368	\$ 1	\$ 3 929	\$ 1
INCREASE (DECREASE) IN NAV	(41)	3	(12)	1	(6)	8	(312)	32
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	3 173	204	919	21	143	487	25 673	5 173
Reinvestments of distributions to holders of redeemable units	45	3	6	—	4	8	171	19
Redemption of redeemable units	(877)	(41)	(233)	—	(395)	(128)	(15 947)	(1 272)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 341	166	692	21	(248)	367	9 897	3 920
Distributions from net income	(45)	(1)	(9)	—	(4)	(3)	(449)	(9)
Distributions from net gains	—	(2)	—	—	—	(5)	—	(15)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(45)	(3)	(9)	—	(4)	(8)	(449)	(24)
NET INCREASE (DECREASE) IN NAV	2 255	166	671	22	(258)	367	9 136	3 928
NAV AT END OF PERIOD	\$ 2 422	\$ 167	\$ 694	\$ 23	\$ 110	\$ 368	\$ 13 065	\$ 3 929

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 830 171	\$ 158 522	\$ 1 834 658	\$ 158 526
INCREASE (DECREASE) IN NAV	(37 973)	87 600	(38 344)	87 644
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	408 676	1 610 284	438 584	1 616 169
Reinvestments of distributions to holders of redeemable units	66 878	60 704	67 104	60 734
Redemption of redeemable units	(92 204)	(22 632)	(109 656)	(24 073)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	383 350	1 648 356	396 032	1 652 830
Distributions from net income	(74 827)	(37 373)	(75 334)	(37 386)
Distributions from net gains	—	(26 934)	—	(26 956)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(74 827)	(64 307)	(75 334)	(64 342)
NET INCREASE (DECREASE) IN NAV	270 550	1 671 649	282 354	1 676 132
NAV AT END OF PERIOD	\$ 2 100 721	\$ 1 830 171	\$ 2 117 012	\$ 1 834 658

The accompanying notes are an integral part of these financial statements.



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

December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	16.3	3.5
AA	1.0	4.6
A	8.5	16.2
BBB	68.6	64.3
BB	2.9	7.1
B	0.7	3.1
Unrated	2.0	1.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	43.1	49.4
Canada	17.2	15.9
Germany	15.0	6.8
United Kingdom	6.3	5.9
Switzerland	2.4	0.4
France	1.1	4.6
Australia	0.6	1.6
Other Countries	10.1	9.7
Cash/Other	4.2	5.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	23.5	8.1
1 – 5 years	27.0	33.0
5 – 10 years	21.2	14.9
> 10 years	28.3	44.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.4% (December 31, 2017 – 5.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	6 237	–	–	6 237
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	2 021 918	–	2 021 918
Short-term investments	–	46 697	–	46 697
Derivatives – assets	–	1 319	–	1 319
Derivatives – liabilities	(336)	(74 060)	–	(74 396)
Total financial instruments	5 901	1 995 874	–	2 001 775
% of total portfolio	0.3	99.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	6 195	–	–	6 195
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 722 619	–	1 722 619
Short-term investments	–	35 253	–	35 253
Derivatives – assets	852	25 912	–	26 764
Derivatives – liabilities	(445)	(1 005)	–	(1 450)
Total financial instruments	6 602	1 782 779	–	1 789 381
% of total portfolio	0.4	99.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



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

December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.35%	0.05%
Advisor Series	1.35%	0.05%
Series D	0.85%	0.05%
Series F	0.60%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	105	102
Advisor Series	105	102
Series D	106	103
Series F	107	103
Value of all units	4	4

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	43 503
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	16	—
Issued number of units	314	20
Reinvested number of units	4	—
Redeemed number of units	(88)	(4)
Ending number of units	246	16

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	2	—
Issued number of units	91	2
Reinvested number of units	1	—
Redeemed number of units	(23)	—
Ending number of units	71	2
Series D		
Opening units	35	—
Issued number of units	15	46
Reinvested number of units	—	1
Redeemed number of units	(39)	(12)
Ending number of units	11	35
Series F		
Opening units	378	—
Issued number of units	2 542	497
Reinvested number of units	17	2
Redeemed number of units	(1 608)	(121)
Ending number of units	1 329	378
Series O		
Opening units	176 072	15 709
Issued number of units	40 510	156 657
Reinvested number of units	6 690	5 859
Redeemed number of units	(9 269)	(2 153)
Ending number of units	214 003	176 072

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Conservative Bond Pool	0.3	—
RBC Core Bond Pool	0.7	—
RBC Core Plus Bond Pool	3.2	—
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.1	—
RBC Retirement 2030 Portfolio	0.1	—
RBC Retirement 2035 Portfolio	0.1	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Retirement Income Solution	—	—
RBC Select Balanced Portfolio	29.2	28.3
RBC Select Choices Balanced Portfolio	0.3	—
RBC Select Choices Conservative Portfolio	0.2	—
RBC Select Choices Growth Portfolio	0.1	—
RBC Select Conservative Portfolio	34.2	35.0
RBC Select Growth Portfolio	2.0	2.0
RBC Select Very Conservative Portfolio	17.0	19.4
Total	87.6	84.8

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 319	(74 396)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 319	(74 396)
Related amounts not set-off	(1 319)	1 319
Collateral (received) pledged	–	73 067
Net amount	–	(10)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	26 764	(1 450)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	26 764	(1 450)
Related amounts not set-off	(1 450)	1 450
Collateral (received) pledged	(407)	–
Net amount	24 907	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
BLUEBAY EUROPEAN HIGH YIELD BOND FUND (CANADA)

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
EQUITIES						
Australia						
1 419 474	Quintis Ltd.*			\$ —	\$ 2 248	
TOTAL EQUITIES				—	2 248	0.4
UNDERLYING FUNDS						
160 000	iShares iBoxx \$ High Yield Corporate Bond Fund			17 689	17 747	
TOTAL UNDERLYING FUNDS				17 689	17 747	3.1
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
2 207	Quintis Australia Pty Ltd. USD	7.500	01-Oct-2026	\$ 2 951	\$ 3 013	
2 768	Quintis Australia Pty Ltd. USD	0.000	01-Oct-2028	4 530	2 343	
				7 481	5 356	0.9
Denmark						
3 997	Norican A/S EUR	4.500	15-May-2023	5 440	5 395	
				5 440	5 395	0.9
France						
2 273	Altice France S.A. USD	8.125	01-Feb-2027	2 998	2 932	
2 828	Altice France S.A. EUR	5.875	01-Feb-2027	4 389	4 393	
2 100	Casino Guichard Perrachon S.A. EUR	4.407	06-Aug-2019	3 283	3 344	
1 710	Constantin Investissement 3 SASU EUR	5.375	15-Apr-2025	2 460	2 498	
4 310	Credit Agricole S.A. USD	8.375	24-Nov-2048	5 919	6 046	
2 000	Electricite de France S.A. EUR	4.000	Perpetual	3 013	3 040	
2 127	La Financiere Atalian SASU EUR	5.125	15-May-2025	3 317	2 783	
727	La Financiere Atalian SASU GBP	6.625	15-May-2025	1 303	1 046	
1 900	NEW Areva Holding S.A. EUR	3.125	20-Mar-2023	2 984	2 861	
1 150	NEW Areva Holding S.A. EUR	4.875	23-Sep-2024	1 936	1 788	
409	Novafives SAS EUR	4.149	15-Jun-2025	635	518	
340	Numericable-SFR S.A. USD	7.375	01-May-2026	438	427	
2 500	Société Générale S.A. USD	6.750	Perpetual	2 858	2 906	
3 900	SPIE S.A. EUR	3.125	22-Mar-2024	5 755	5 899	
				41 288	40 481	7.0
Germany						
2 500	Deutsche Bank AG EUR	4.500	19-May-2026	4 359	3 890	
1 800	IKB Deutsche Industriebank AG EUR	4.000	31-Jan-2028	2 857	2 681	
2 913	KME AG EUR	6.750	01-Feb-2023	4 421	3 960	
1 820	ProGroup AG EUR	2.176	31-Mar-2024	2 607	2 827	
2 169	ProGroup AG EUR	3.000	31-Mar-2026	3 484	3 270	
3 538	Takko Luxembourg 2 S.C.A. EUR	5.375	15-Nov-2023	4 700	3 970	
585	Unitymedia GmbH EUR	4.625	15-Feb-2026	912	972	
8 571	Unitymedia GmbH EUR	3.750	15-Jan-2027	13 727	13 781	
				37 067	35 351	6.1
Ireland						
3 000	Eircom Finance DAC EUR	4.500	31-May-2022	4 666	4 769	
3 879	James Hardie International Finance DAC EUR	3.625	01-Oct-2026	5 905	5 935	
2 770	Smurfit Kappa Acquisitions ULC EUR	4.125	30-Jan-2020	4 354	4 484	
				14 925	15 188	2.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Israel						
10 050	Teva Pharmaceutical Finance Netherlands II BV EUR	0.375	25-Jul-2020	\$ 14 751	\$ 15 364	
				14 751	15 364	2.7
Italy						
3 760	Banca Monte dei Paschi di Siena S.p.A. EUR	5.375	18-Jan-2028	5 681	3 453	
2 995	Fabric BC S.p.A. EUR	3.811	30-Nov-2024	4 631	4 584	
3 530	Intesa Sanpaolo S.p.A. EUR	7.750	Perpetual	5 047	5 799	
5 030	Rossini Sarl EUR	6.750	30-Oct-2025	7 579	7 833	
2 730	Telecom Italia Finance S.A. EUR	7.750	24-Jan-2033	6 321	5 350	
1 843	Telecom Italia S.p.A. EUR	3.250	16-Jan-2023	2 983	2 944	
3 030	Telecom Italia S.p.A. EUR	2.500	19-Jul-2023	4 357	4 672	
2 725	UniCredit S.p.A. EUR	6.625	Perpetual	4 414	4 022	
6 314	Wind Tre S.p.A. EUR	3.125	20-Jan-2025	8 682	8 823	
				49 695	47 480	8.2
Luxembourg						
1 396	Altice Financing S.A. USD	7.500	15-May-2026	1 840	1 744	
2 542	Altice Finco S.A. USD	7.625	15-Feb-2025	3 014	2 893	
3 490	Altice Finco S.A. EUR	4.750	15-Jan-2028	5 082	4 383	
2 680	Altice S.A. USD	7.625	15-Feb-2025	2 899	2 749	
3 755	Groupe Ecore Holding SAS EUR	5.932	15-Nov-2023	5 499	5 511	
4 549	Hercule Debtco Sarl EUR	6.750	30-Jun-2024	7 012	6 368	
3 792	LHMC Finco Sarl EUR	6.250	20-Dec-2023	5 738	6 039	
941	LSF10 Wolverine Investments S.C.A. EUR	5.000	15-Mar-2024	1 431	1 393	
3 750	Matterhorn Telecom S.A. CHF	3.625	01-May-2022	4 951	5 097	
1 451	Matterhorn Telecom S.A. EUR	3.875	01-May-2022	2 142	2 216	
1 399	Matterhorn Telecom S.A. EUR	3.250	01-Feb-2023	2 065	2 174	
3 770	Matterhorn Telecom S.A. EUR	4.000	15-Nov-2027	5 664	5 380	
3 440	Samsonite Finco Sarl EUR	3.500	15-May-2026	5 373	4 902	
				52 710	50 849	8.8
Netherlands						
2 880	Intertrust Group BV EUR	3.375	15-Nov-2025	4 321	4 450	
3 739	InterXion Holding N.V. EUR	4.750	15-Jun-2025	5 709	6 010	
2 722	IPD 3 BV EUR	4.500	15-Jul-2022	4 077	4 216	
3 460	Promontoria Holding 264 BV EUR	6.750	15-Aug-2023	5 269	5 257	
1 847	United Group BV EUR	4.375	01-Jul-2022	2 929	2 872	
1 870	Ziggo Bond Finance BV EUR	4.625	15-Jan-2025	3 040	2 836	
1 870	Ziggo Secured Finance BV EUR	4.250	15-Jan-2027	3 025	2 884	
				28 370	28 525	4.9
Singapore						
4 950	Mulhacen Pte Ltd. EUR	6.500	01-Aug-2023	7 503	7 450	
				7 503	7 450	1.3
Spain						
1 200	Banco de Sabadell S.A. EUR	6.125	Perpetual	1 775	1 699	
3 400	Bankia S.A. EUR	6.000	Perpetual	5 137	5 032	
1 800	CaixaBank S.A. EUR	5.250	Perpetual	2 858	2 403	
3 033	Haya Finance 2017 S.A. EUR	5.250	15-Nov-2022	4 254	4 415	
2 951	Masaria Investments S.A.U. EUR	5.000	15-Sep-2024	4 339	4 249	
1 800	Telefonica Europe BV EUR	2.625	Perpetual	2 744	2 595	
1 700	Telefonica Europe BV EUR	3.750	Perpetual	2 634	2 684	
4 400	Telefonica Europe BV EUR	3.875	Perpetual	7 068	6 246	
1 210	Tendam Brands S.A.U. EUR	5.250	15-Sep-2024	1 700	1 775	
				32 509	31 098	5.4
Supranational						
4 807	Eagle Intermediate Global Holding BV EUR	5.375	01-May-2023	7 370	6 943	
				7 370	6 943	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Sweden						
2 310	Verisure Holding AB EUR	3.500	15-May-2023	\$ 3 458	\$ 3 560	
3 570	Verisure Midholding AB EUR	5.750	01-Dec-2023	5 377	5 403	
				8 835	8 963	1.6
United Arab Emirates						
1 309	EA Partners II BV USD	6.750	01-Jun-2021	1 197	1 007	
				1 197	1 007	0.2
United Kingdom						
2 397	AA Bond Co. Ltd. GBP	5.500	31-Jul-2022	3 691	3 370	
3 710	Algeco Scotsman Global Finance Plc. EUR	6.500	15-Feb-2023	5 698	5 702	
5 057	Amigo Luxembourg S.A. GBP	7.625	15-Jan-2024	9 054	8 637	
3 088	Boparan Finance Plc. GBP	5.500	15-Jul-2021	4 761	3 915	
3 350	Bracken MidCo1 Plc. GBP	8.875	15-Oct-2023	5 715	5 391	
492	Co-operative Group Holdings 2011 GBP	7.500	08-Jul-2026	999	950	
2 270	Debenhams Plc. GBP	5.250	15-Jul-2021	2 876	2 428	
3 461	Drax Finco Plc. USD	6.625	01-Nov-2025	4 357	4 654	
1 709	Fiat Chrysler Automobiles N.V. EUR	3.750	29-Mar-2024	2 517	2 812	
1 538	Heathrow Finance Plc. GBP	5.375	01-Sep-2019	2 755	2 736	
6 110	Heathrow Finance Plc. GBP	4.750	01-Mar-2024	10 281	10 501	
1 500	Ineos Finance Plc. EUR	4.000	01-May-2023	2 282	2 356	
2 543	Jerrold Finco Plc GBP	6.125	15-Jan-2024	4 480	4 270	
1 534	Mizzen Bondco Ltd. GBP	7.000	01-May-2021	2 624	2 654	
1 300	Saga Plc. GBP	3.375	12-May-2024	1 888	1 952	
3 568	Synlab Bondco Plc. EUR	3.500	01-Jul-2022	5 326	5 539	
1 920	Tesco Corporate Treasury Services Plc. EUR	1.375	01-Jul-2019	2 909	3 018	
3 862	UGI International LLC EUR	3.250	01-Nov-2025	5 785	6 070	
6 860	Virgin Media Receivables Financing Notes I DAC GBP	5.500	15-Sep-2024	11 349	11 499	
2 270	Viridian Power & Energy Ltd. GBP	4.750	15-Sep-2024	3 631	3 640	
2 073	Viridian Power & Energy Ltd. EUR	4.000	15-Sep-2025	3 001	2 992	
4 792	Voyage Care Bondco Plc. GBP	5.875	01-May-2023	8 259	7 202	
3 291	Vue International Bidco Plc. GBP	7.875	15-Jul-2020	5 770	5 664	
2 510	William Hill Plc. GBP	4.250	05-Jun-2020	4 251	4 352	
				114 259	112 304	19.5
United States						
4 535	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	7 902	7 381	
1 710	Banff Merger Sub Inc. EUR	8.375	01-Sep-2026	2 572	2 483	
2 884	Banff Merger Sub Inc.	9.750	01-Sep-2026	3 762	3 612	
714	Belden Inc. EUR	3.375	15-Jul-2027	1 068	1 020	
763	Colfax Corp. EUR	3.250	15-May-2025	1 158	1 109	
2 576	Energizer Gamma Acquisition BV EUR	4.625	15-Jul-2026	3 979	3 786	
3 890	Equinix Inc. EUR	2.875	15-Mar-2024	6 058	6 087	
5 560	Federal-Mogul LLC EUR	5.000	15-Jul-2024	8 896	8 919	
3 810	International Game Technology Plc. EUR	3.500	15-Jul-2024	5 886	5 852	
1 426	Kraton Polymers LLC EUR	5.250	15-May-2026	2 050	2 013	
4 280	Scientific Games International Inc. EUR	5.500	15-Feb-2026	6 238	5 772	
2 290	Vantiv LLC GBP	3.875	15-Nov-2025	3 966	3 758	
2 290	VRX Escrow Corp. EUR	4.500	15-May-2023	2 722	3 396	
1 587	WMG Acquisition Corp. EUR	4.125	01-Nov-2024	2 332	2 558	
				58 589	57 746	10.0
TOTAL BONDS				481 989	469 500	81.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
LOANS						
Canada						
4 478	1011778 BC ULC USD	3.397	28-Feb-2024	\$ 5 803	\$ 5 836	
				5 803	5 836	1.0
Finland						
2 720	Nordic Packaging & Container Finland Holdings Oy EUR	5.000	16-Nov-2023	3 927	4 208	
				3 927	4 208	0.7
France						
2 628	Altran Technologies S.A. EUR	2.750	30-Jan-2025	4 025	4 064	
1 940	HomeVi SAS EUR	3.250	11-Oct-2024	2 868	3 016	
4 720	Newco SAB Bidco SASU EUR	3.000	21-Mar-2024	6 816	7 210	
				13 709	14 290	2.5
Germany						
3 397	Unitymedia Hessen GmbH & Co. KG EUR	2.750	15-Jan-2027	5 047	5 294	
				5 047	5 294	0.9
Luxembourg						
1 660	CCP Lux Holding Sarl EUR	3.750	06-Feb-2025	2 563	2 576	
				2 563	2 576	0.5
Netherlands						
3 180	Sigma Bidco BV GBP	4.797	05-Mar-2025	5 674	5 376	
3 546	Sunshine Investments BV EUR	3.250	14-Dec-2024	5 340	5 443	
				11 014	10 819	1.9
Spain						
1 307	Imagina Media Audiovisual SL EUR	4.000	21-Jun-2024	1 961	2 050	
2 083	Imagina Media Audiovisual SL	4.000	26-Mar-2025	3 126	3 266	
				5 087	5 316	0.9
United Kingdom						
1 410	Genesis Specialist Care Finance UK Ltd. EUR	3.500	16-Oct-2025	2 101	2 199	
				2 101	2 199	0.4
TOTAL LOANS				49 251	50 538	8.8
SHORT-TERM INVESTMENTS[†]				9 220	9 220	1.6
TOTAL INVESTMENTS				558 149	549 253	95.2
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				—	(27)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	2 004	0.3
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(20 593)	(3.6)
TOTAL PORTFOLIO				\$ 558 149	530 637	91.9
CASH					24 373	4.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					22 669	3.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 577 679	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(15) Euro - Bobl Future, March 2019		
Contracts at EUR 132.18 per contract	\$ (2 972)	\$ (8)
(9) United Kingdom Long Gilt Future, March 2019		
Contracts at GBP 121.97 per contract	(1 864)	(19)
TOTAL FUTURES	\$ (4 836)	\$ (27)

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CHF 5 000 Sold CAD 6 570 @ 0.7610	23-Jan-2019	\$ 385
Bought CHF 2 700 Sold CAD 3 718 @ 0.7262	23-Jan-2019	38
Bought EUR 865 Sold CAD 1 299 @ 0.6657	23-Jan-2019	55
Bought EUR 831 Sold CAD 1 247 @ 0.6667	23-Jan-2019	55
Bought EUR 1 000 Sold CAD 1 505 @ 0.6646	23-Jan-2019	62
Bought EUR 1 520 Sold CAD 2 285 @ 0.6652	23-Jan-2019	96
Bought EUR 1 868 Sold CAD 2 823 @ 0.6617	23-Jan-2019	103
Bought EUR 2 000 Sold CAD 3 045 @ 0.6568	23-Jan-2019	87
Bought EUR 1 600 Sold CAD 2 426 @ 0.6596	23-Jan-2019	80
Bought EUR 685 Sold CAD 1 038 @ 0.6599	23-Jan-2019	35
Bought EUR 824 Sold CAD 1 259 @ 0.6546	23-Jan-2019	32
Bought EUR 1 000 Sold CAD 1 525 @ 0.6558	23-Jan-2019	41
Bought EUR 924 Sold CAD 1 404 @ 0.6580	23-Jan-2019	43
Bought EUR 648 Sold CAD 1 006 @ 0.6440	23-Jan-2019	9
Bought EUR 3 000 Sold CAD 4 657 @ 0.6442	23-Jan-2019	42
Bought GBP 5 000 Sold CAD 8 473 @ 0.5901	23-Jan-2019	232
Bought GBP 944 Sold CAD 1 597 @ 0.5911	23-Jan-2019	47
Bought GBP 2 000 Sold CAD 3 408 @ 0.5868	23-Jan-2019	74
Bought GBP 808 Sold CAD 1 374 @ 0.5882	23-Jan-2019	33
Bought GBP 684 Sold CAD 1 154 @ 0.5926	23-Jan-2019	37
Bought GBP 3 000 Sold CAD 5 165 @ 0.5808	23-Jan-2019	58
Bought USD 5 816 Sold CAD 7 662 @ 0.7591	23-Jan-2019	271
Bought USD 4 000 Sold CAD 5 382 @ 0.7432	23-Jan-2019	75
Bought USD 2 500 Sold CAD 3 397 @ 0.7360	23-Jan-2019	14
		\$ 2 004

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 15 270 Sold CHF 11 536 @ 1.3237	23-Jan-2019	\$ (776)
Bought CAD 122 801 Sold GBP 71 561 @ 1.7160	23-Jan-2019	(1 787)
Bought CAD 198 309 Sold EUR 131 248 @ 1.5109	23-Jan-2019	(7 255)
Bought CAD 13 339 Sold USD 10 253 @ 1.3010	23-Jan-2019	(650)
Bought CAD 12 356 Sold USD 9 499 @ 1.3007	23-Jan-2019	(605)
Bought CAD 190 497 Sold EUR 126 101 @ 1.5107	23-Jan-2019	(7 006)
Bought CAD 11 553 Sold USD 8 873 @ 1.3021	23-Jan-2019	(553)
Bought CAD 15 727 Sold USD 12 000 @ 1.3105	23-Jan-2019	(646)
Bought CAD 4 494 Sold EUR 3 000 @ 1.4980	23-Jan-2019	(205)
Bought CAD 2 997 Sold EUR 1 991 @ 1.5054	23-Jan-2019	(121)
Bought CAD 4 513 Sold EUR 3 000 @ 1.5043	23-Jan-2019	(186)
Bought CAD 7 873 Sold USD 6 000 @ 1.3121	23-Jan-2019	(314)
Bought CAD 6 906 Sold USD 5 249 @ 1.3156	23-Jan-2019	(256)
Bought CAD 4 643 Sold USD 3 500 @ 1.3265	23-Jan-2019	(133)
Bought CAD 2 828 Sold EUR 1 870 @ 1.5125	23-Jan-2019	(100)
		\$ (20 593)
		\$ (18 589)

TOTAL FOREIGN EXCHANGE

All counterparties have a credit rating of at least A.

* Illiquid security.

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.71% and mature on March 7, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 549 253	\$ 535 307
Cash	24 373	35 927
Due from investment dealers	5 660	11 172
Subscriptions receivable	65	—
Unrealized gain on futures contracts	—	16
Futures contracts margin receivable	14 938	—
Unrealized gain on foreign exchange contracts	2 004	3 643
Dividends receivable, interest accrued and other assets	7 968	6 392
TOTAL ASSETS	604 261	592 457
LIABILITIES		
Due to investment dealers	5 876	18 080
Unrealized loss on futures contracts	27	—
Futures contracts margin payable	—	4 952
Unrealized loss on foreign exchange contracts	20 593	165
Distributions payable	4	1
Accounts payable and accrued expenses	82	77
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	26 582	23 275
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 577 679	\$ 569 182
Investments at cost	\$ 558 149	\$ 518 705
NAV		
SERIES A	\$ 218	\$ 94
ADVISOR SERIES	\$ 1	\$ 55
SERIES D	\$ 129	\$ 80
SERIES F	\$ 60	\$ 53
SERIES O	\$ 577 271	\$ 568 900
NAV PER UNIT		
SERIES A	\$ 9.58	\$ 10.39
ADVISOR SERIES	\$ 9.59	\$ 10.40
SERIES D	\$ 9.57	\$ 10.38
SERIES F	\$ 9.61	\$ 10.43
SERIES O	\$ 9.56	\$ 10.37

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 26 592	\$ 26 492
Income from investment trusts	253	—
Derivative income	9 420	(25 409)
Net realized gain (loss) on investments	11 919	18 481
Change in unrealized gain (loss) on investments	(47 565)	20 102
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	619	39 666
Other income (loss)	—	5
Net gain (loss) on foreign cash balances	1 922	6 194
TOTAL OTHER INCOME (LOSS)	1 922	6 199
TOTAL INCOME (LOSS)	2 541	45 865
EXPENSES (see notes – Fund Specific Information)		
Management fees	5	1
Administration fees	876	808
Independent Review Committee costs	2	3
GST/HST	90	85
Transaction costs	16	24
Withholding tax	41	—
TOTAL EXPENSES	1 030	921
INCREASE (DECREASE) IN NAV	\$ 1 511	\$ 44 944
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3)	\$ 2
ADVISOR SERIES	\$ —	\$ 1
SERIES D	\$ (2)	\$ 2
SERIES F	\$ (2)	\$ 1
SERIES O	\$ 1 518	\$ 44 938
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.18)	\$ 0.48
ADVISOR SERIES	\$ 0.01	\$ 0.26
SERIES D	\$ (0.10)	\$ 0.53
SERIES F	\$ (0.02)	\$ 0.65
SERIES O	\$ 0.03	\$ 0.85

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 1 511	\$ 44 944
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	11	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(11 904)	(18 463)
Change in unrealized loss (gain) on investments	47 565	(20 102)
(Increase) decrease in accrued receivables	(1 560)	(720)
Increase (decrease) in accrued payables	32	13
(Increase) decrease in margin accounts	(19 890)	2 484
Cost of investments purchased	(703 173)	(809 953)
Proceeds from sale and maturity of investments	668 930	718 255
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(18 478)	(83 542)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	7 519	67 779
Cash paid on redemption of redeemable units	(592)	(283)
Distributions paid to holders of redeemable units	(3)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 6 924	\$ 67 496
Net increase (decrease) in cash for the period	(11 554)	(16 046)
Cash (bank overdraft), beginning of period	35 927	51 973
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 24 373	\$ 35 927
Interest received (paid)	\$ 25 027	\$ 25 787
Dividends received, net of withholding taxes	\$ (41)	\$ 5

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 94	\$ 1	\$ 55	\$ 1	\$ 80	\$ 1	\$ 53	\$ 1
INCREASE (DECREASE) IN NAV	(3)	2	—	1	(2)	2	(2)	1
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	158	96	4	53	151	81	112	81
Reinvestments of distributions to holders of redeemable units	13	1	1	1	10	1	1	—
Redemption of redeemable units	(30)	(5)	(58)	—	(100)	(4)	(99)	(29)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	141	92	(53)	54	61	78	14	52
Distributions from net income	(6)	(1)	(1)	(1)	(5)	(1)	(3)	(1)
Distributions from net gains	(8)	—	—	—	(5)	—	(2)	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(14)	(1)	(1)	(1)	(10)	(1)	(5)	(1)
NET INCREASE (DECREASE) IN NAV	124	93	(54)	54	49	79	7	52
NAV AT END OF PERIOD	\$ 218	\$ 94	\$ 1	\$ 55	\$ 129	\$ 80	\$ 60	\$ 53

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 568 900	\$ 460 672	\$ 569 182	\$ 460 676
INCREASE (DECREASE) IN NAV	1 518	44 938	1 511	44 944
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	7 159	63 452	7 584	63 763
Reinvestments of distributions to holders of redeemable units	47 846	25 824	47 871	25 827
Redemption of redeemable units	(305)	(245)	(592)	(283)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	54 700	89 031	54 863	89 307
Distributions from net income	(25 775)	(25 741)	(25 790)	(25 745)
Distributions from net gains	(22 072)	—	(22 087)	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(47 847)	(25 741)	(47 877)	(25 745)
NET INCREASE (DECREASE) IN NAV	8 371	108 228	8 497	108 506
NAV AT END OF PERIOD	\$ 577 271	\$ 568 900	\$ 577 679	\$ 569 182

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.4% (December 31, 2017 – 0.0%) of the NAV of the Fund.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
A	–	0.7
BBB	1.2	4.6
BB	35.8	37.1
B	43.1	43.2
CCC	8.4	2.9
D	0.2	–
Unrated	11.3	11.5
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United Kingdom	19.9	20.6
United States	10.0	10.7
France	9.5	9.7
Luxembourg	9.3	9.5
Italy	8.2	4.1
Germany	7.0	6.6
Netherlands	6.8	9.7
Spain	6.3	7.2
Ireland	2.6	1.6
Switzerland	–	1.6
Other Countries	14.0	10.9
Cash/Other	6.4	7.8
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	3.4	7.8
1 – 5 years	30.5	27.0
5 – 10 years	56.3	50.7
> 10 years	9.8	14.5
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.2% (December 31, 2017 – 3.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	2 248	2 248
Underlying funds	17 747	–	–	17 747
Fixed-income				
and debt securities	–	514 682	5 356	520 038
Short-term investments	–	9 220	–	9 220
Derivatives – assets	–	2 004	–	2 004
Derivatives – liabilities	(27)	(20 593)	–	(20 620)
Total financial instruments	17 720	505 313	7 604	530 637
% of total portfolio	3.3	95.3	1.4	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	524 848	–	524 848
Short-term investments	–	10 459	–	10 459
Derivatives – assets	16	3 643	–	3 659
Derivatives – liabilities	–	(165)	–	(165)
Total financial instruments	16	538 785	–	538 801
% of total portfolio	–	100.0	–	100.0



December 31, 2018

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	–	–
Net purchases	–	–
Net sales	–	–
Net transfers in (out)	7 604	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	–	–
Balance at end of period	7 604	–
Change in unrealized gains (losses) for Level 3 assets held at end of period	–	–

During the year ended December 31, 2018, investments of \$7,604 (year ended December 31, 2017 – n/a) previously classified as Level 2 were transferred into Level 3 as observable inputs were no longer available.

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – n/a).

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.50%	0.15%
Advisor Series	1.50%	0.15%
Series D	0.90%	0.15%
Series F	0.75%	0.15%
Series O	n/a [†]	0.15%

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

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	112	105
Advisor Series	112	105
Series D	114	106
Series F	114	106
Value of all units	4	4

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares iBoxx \$ High Yield				
Corporate Bond Fund	3.1	0.1	–	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	9	–
Issued number of units	16	9
Reinvested number of units	1	–
Redeemed number of units	(3)	–
Ending number of units	23	9
Advisor Series		
Opening units	5	–
Issued number of units	1	5
Reinvested number of units	–	–
Redeemed number of units	(6)	–
Ending number of units	–	5
Series D		
Opening units	8	–
Issued number of units	15	8
Reinvested number of units	1	–
Redeemed number of units	(10)	–
Ending number of units	14	8
Series F		
Opening units	5	–
Issued number of units	11	8
Reinvested number of units	–	–
Redeemed number of units	(10)	(3)
Ending number of units	6	5
Series O		
Opening units	54 869	46 091
Issued number of units	688	6 285
Reinvested number of units	4 872	2 517
Redeemed number of units	(30)	(24)
Ending number of units	60 399	54 869

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	16	100	24	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Retirement 2020 Portfolio	0.1	–
RBC Retirement 2030 Portfolio	0.1	–
RBC Retirement 2035 Portfolio	0.1	0.1
RBC Retirement 2040 Portfolio	0.2	0.1
RBC Retirement 2045 Portfolio	0.2	0.1
RBC Retirement 2050 Portfolio	0.2	0.1
RBC Select Balanced Portfolio	32.4	32.7
RBC Select Choices Balanced Portfolio	0.3	–
RBC Select Choices Conservative Portfolio	0.3	–
RBC Select Choices Growth Portfolio	0.1	–
RBC Select Conservative Portfolio	65.9	66.7
Total	99.9	99.8

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	2 004	(20 620)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	2 004	(20 620)
Related amounts not set-off	(2 004)	2 004
Collateral (received) pledged	–	15 180
Net amount	–	(3 435)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	3 659	(165)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3 659	(165)
Related amounts not set-off	(165)	165
Collateral (received) pledged	(16)	–
Net amount	3 478	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
BLUEBAY EMERGING MARKETS BOND FUND (CANADA)

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FOREIGN BONDS						
Argentina						
150	Province of Jujuy Argentina USD	8.625	20-Sep-2022	\$ 119	\$ 111	
290	Provincia de Buenos Aires USD	6.500	15-Feb-2023	251	235	
850	Republic of Argentina USD	2.500	31-Dec-2038	505	470	
150	Republic of Argentina USD	7.625	22-Apr-2046	113	109	
862	Republic of Argentina USD	6.875	11-Jan-2048	650	602	
250	Republic of Argentina USD	7.125	28-Jun-2117	185	180	
				1 823	1 707	5.3
Bahamas						
400	Bahamas Government USD	6.000	21-Nov-2028	406	406	
				406	406	1.3
Bahrain						
200	Bahrain Government USD	6.000	19-Sep-2044	171	170	
				171	170	0.5
Belarus						
700	Republic of Belarus USD	6.875	28-Feb-2023	722	716	
				722	716	2.2
Bolivia						
300	Bolivian Government USD	4.500	20-Mar-2028	285	258	
				285	258	0.8
Brazil						
200	Cemig Geracao e Transmissao S.A. USD	9.250	05-Dec-2024	203	214	
165	Fibra Overseas Finance Ltd. USD	4.000	14-Jan-2025	155	156	
95	Petrobras Global Finance BV USD	8.750	23-May-2026	107	107	
235	Petrobras Global Finance BV USD	7.375	17-Jan-2027	243	242	
60	Petrobras Global Finance BV USD	6.850	05-Jun-2115	53	54	
320	Republic of Brazil USD	4.250	07-Jan-2025	314	315	
615	Republic of Brazil USD	5.000	27-Jan-2045	510	539	
				1 585	1 627	5.1
Chile						
250	Corp Nacional del Cobre de Chile USD	4.500	13-Aug-2023	255	256	
200	Empresa Nacional del Petroleo USD	5.250	06-Nov-2029	200	204	
210	Republic of Chile USD	3.240	06-Feb-2028	201	202	
				656	662	2.1
China						
200	China Government USD	3.250	19-Oct-2023	199	202	
200	China Minmetals Corp. USD	4.450	Perpetual	198	196	
				397	398	1.2
Colombia						
480	Ecopetrol S.A. USD	5.875	28-May-2045	468	454	
				468	454	1.4
Costa Rica						
200	Costa Rica Government USD	4.250	26-Jan-2023	178	177	
235	Costa Rica Government USD	5.625	30-Apr-2043	180	179	
				358	356	1.1
Croatia						
285	Croatia Government USD	6.625	14-Jul-2020	297	297	
				297	297	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Dominican Republic						
435	Dominican Republic USD	7.500	06-May-2021	\$ 453	\$ 450	
100	Dominican Republic USD	6.875	29-Jan-2026	103	105	
150	Dominican Republic USD	6.000	19-Jul-2028	152	150	
230	Dominican Republic USD	6.850	27-Jan-2045	230	227	
290	Dominican Republic USD	6.500	15-Feb-2048	281	275	
				1 219	1 207	3.8
Ecuador						
200	Government of Ecuador USD	7.950	20-Jun-2024	192	177	
200	Government of Ecuador USD	8.875	23-Oct-2027	194	173	
475	Government of Ecuador USD	7.875	23-Jan-2028	408	388	
200	Petroamazonas EP USD	4.625	06-Nov-2020	192	187	
				986	925	2.9
Egypt						
200	Arab Republic of Egypt USD	6.125	31-Jan-2022	196	197	
415	Arab Republic of Egypt USD	5.577	21-Feb-2023	403	394	
305	Arab Republic of Egypt USD	6.588	21-Feb-2028	280	273	
100	Arab Republic of Egypt EUR	5.625	16-Apr-2030	109	99	
				988	963	3.0
El Salvador						
280	Republic of El Salvador USD	5.875	30-Jan-2025	260	259	
290	Republic of El Salvador USD	6.375	18-Jan-2027	272	268	
95	Republic of El Salvador USD	7.650	15-Jun-2035	92	90	
				624	617	1.9
Guatemala						
200	Guatemala Government USD	4.875	13-Feb-2028	194	191	
				194	191	0.6
Honduras						
200	Honduras Government USD	6.250	19-Jan-2027	195	198	
				195	198	0.6
Hong Kong						
200	CNAC HK Finbridge Co. Ltd. USD	4.625	14-Mar-2023	201	202	
200	CNAC HK Finbridge Co. Ltd. USD	5.125	14-Mar-2028	200	204	
				401	406	1.3
Hungary						
540	Hungary Government USD	6.250	29-Jan-2020	559	556	
250	Hungary Government USD	6.375	29-Mar-2021	266	264	
218	Hungary Government USD	5.375	21-Feb-2023	231	232	
82	Hungary Government USD	5.750	22-Nov-2023	89	89	
				1 145	1 141	3.6
Indonesia						
200	Government of Indonesia USD	4.875	05-May-2021	206	205	
200	Government of Indonesia USD	4.125	15-Jan-2025	197	197	
200	Indonesia Asahan Aluminium Persero PT USD	5.710	15-Nov-2023	198	204	
200	Indonesia Asahan Aluminium Persero PT USD	6.757	15-Nov-2048	185	206	
300	Minejesa Capital BV USD	5.625	10-Aug-2037	269	264	
200	Pertamina Persero PT USD	5.625	20-May-2043	183	190	
200	Perusahaan Penerbit SBSN Indonesia III USD	3.400	29-Mar-2022	197	196	
				1 435	1 462	4.5
Iraq						
525	Republic of Iraq USD	5.800	15-Jan-2028	491	472	
				491	472	1.5
Ivory Coast						
200	Ivory Coast Government USD	6.125	15-Jun-2033	166	167	
				166	167	0.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Jordan						
200	Jordan Government USD	5.750	31-Jan-2027	\$ 189	\$ 185	
				189	185	0.6
Kazakhstan						
200	KazMunayGas National Co. JSC USD	4.750	19-Apr-2027	200	195	
200	KazMunayGas National Co. JSC USD	5.375	24-Apr-2030	191	197	
400	KazMunayGas National Co. JSC USD	6.375	24-Oct-2048	416	404	
				807	796	2.5
Kenya						
210	Kenya Government USD	7.250	28-Feb-2028	182	188	
				182	188	0.6
Kuwait						
405	Kuwait International Government USD	2.750	20-Mar-2022	397	398	
				397	398	1.2
Lebanon						
246	Lebanon Government USD	6.650	26-Feb-2030	186	188	
55	Lebanon Government USD	7.050	02-Nov-2035	42	42	
				228	230	0.7
Mexico						
102	Petroleos Mexicanos USD	5.500	27-Jun-2044	78	78	
508	Petroleos Mexicanos USD	5.625	23-Jan-2046	411	387	
210	Petroleos Mexicanos USD	6.750	21-Sep-2047	181	174	
200	United Mexican States USD	4.350	15-Jan-2047	168	172	
				838	811	2.5
Mongolia						
200	Mongolia Government USD	10.875	06-Apr-2021	227	221	
200	Mongolia Government USD	5.625	01-May-2023	192	190	
325	Mongolia Government USD	8.750	09-Mar-2024	355	349	
200	Trade & Development Bank of Mongolia LLC USD	9.375	19-May-2020	212	209	
				986	969	3.0
Namibia						
200	Namibia International USD	5.500	03-Nov-2021	202	199	
				202	199	0.6
Netherlands						
200	SABIC Capital II BV USD	4.000	10-Oct-2023	199	199	
				199	199	0.6
Nigeria						
400	Nigeria Government USD	6.750	28-Jan-2021	411	406	
200	Nigeria Government USD	7.625	21-Nov-2025	200	194	
205	Nigeria Government USD	6.500	28-Nov-2027	196	182	
260	Nigeria Government USD	7.143	23-Feb-2030	253	231	
240	Nigeria Government USD	8.747	21-Jan-2031	240	234	
205	Nigeria Government USD	7.696	23-Feb-2038	199	180	
260	Nigeria Government USD	7.625	28-Nov-2047	246	220	
200	Nigeria Government USD	9.248	21-Jan-2049	200	195	
				1 945	1 842	5.7
Oman						
304	Oman Government USD	4.125	17-Jan-2023	295	280	
200	Oman Government USD	6.500	08-Mar-2047	191	162	
200	Oman Government USD	6.750	17-Jan-2048	186	166	
				672	608	1.9
Panama						
200	Republic of Panama USD	5.200	30-Jan-2020	205	204	
200	Republic of Panama USD	4.500	16-Apr-2050	187	192	
				392	396	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Philippines						
400	Republic of Philippines USD	4.000	15-Jan-2021	\$ 407	\$ 404	
				407	404	1.3
Qatar						
625	State of Qatar USD	2.375	02-Jun-2021	608	612	
300	State of Qatar USD	5.103	23-Apr-2048	312	316	
				920	928	2.9
Saudi Arabia						
205	Saudi Government USD	2.375	26-Oct-2021	198	198	
				198	198	0.6
South Africa						
400	Eskom Holdings SOC Ltd. USD	6.350	10-Aug-2028	389	386	
300	Republic of South Africa USD	5.500	09-Mar-2020	305	305	
200	Republic of South Africa USD	5.875	16-Sep-2025	199	203	
200	Republic of South Africa USD	5.000	12-Oct-2046	165	170	
200	Republic of South Africa USD	5.650	27-Sep-2047	179	179	
				1 237	1 243	3.9
Sri Lanka						
200	Sri Lanka Government USD	5.875	25-Jul-2022	197	188	
				197	188	0.6
Thailand						
200	Thaioil Treasury Center Co. Ltd. USD	5.375	20-Nov-2048	198	202	
				198	202	0.6
Tunisia						
200	Banque Centrale de Tunisie USD	5.750	30-Jan-2025	176	169	
				176	169	0.5
Turkey						
230	Republic of Turkey USD	5.625	30-Mar-2021	224	231	
200	Republic of Turkey USD	6.250	26-Sep-2022	196	202	
200	Republic of Turkey USD	3.250	23-Mar-2023	173	180	
250	Republic of Turkey USD	5.750	22-Mar-2024	237	243	
275	Republic of Turkey EUR	5.200	16-Feb-2026	313	315	
200	Republic of Turkey USD	6.000	14-Jan-2041	162	170	
260	Republic of Turkey USD	4.875	16-Apr-2043	191	194	
605	Republic of Turkey USD	5.750	11-May-2047	461	495	
60	TC Ziraat Bankasi A.S. USD	5.125	29-Sep-2023	52	53	
				2 009	2 083	6.5
Ukraine						
200	JSC Oschadbank USD	9.375	10-Mar-2023	203	198	
150	Ukraine Government USD	7.750	01-Sep-2026	141	129	
400	Ukraine Government USD	7.375	25-Sep-2032	340	320	
625	Ukraine Government USD	0.000	31-May-2040	336	360	
				1 020	1 007	3.1
United Arab Emirates						
400	Emirates NBD Tier 1 Ltd. USD	5.750	Perpetual	402	401	
				402	401	1.3
United States						
430	United States Treasury	1.500	31-Oct-2019	425	426	
1 015	United States Treasury	1.375	15-Dec-2019	1 002	1 003	
10	United States Treasury	2.875	15-Aug-2028	10	10	
				1 437	1 439	4.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Venezuela						
158	Petroleos de Venezuela S.A. USD	8.500	27-Oct-2020	\$ 140	\$ 148	
205	Petroleos de Venezuela S.A. USD	6.000	15-Nov-2026	39	31	
110	Republic of Venezuela USD	7.750	13-Oct-2019	26	26	
235	Republic of Venezuela USD	11.750	21-Oct-2026	59	58	
				264	263	0.8
Zambia						
200	Zambia Government USD	8.500	14-Apr-2024	153	151	
200	Zambia Government USD	8.970	30-Jul-2027	148	151	
				301	302	0.9
TOTAL FOREIGN BONDS				30 815	30 448	94.7
CREDIT DEFAULT SWAPS (SCHEDULE A)				3	25	0.1
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE B)				—	(1)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE C)				—	12	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE C)				—	(18)	(0.1)
TOTAL PORTFOLIO				\$ 30 818	30 466	94.7
FUTURES CONTRACTS MARGIN RECEIVABLE					1 923	6.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					(213)	(0.7)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 32 176	100.0

SCHEDULE A

Credit Default Swaps

Notional Amount (000s)	Reference Entity	Currency	Pay/Receive Fixed Rate	Fixed Rate	Expiration Date	Counterparty	Credit Rating	Cost	Fair Value	% of Net Assets
450	Republic of Argentina USD 7.500% Apr 22 2026	USD	Pay	5.00%	20-Dec-2020	Credit Suisse Group AG	BBB+	\$ 3	25	0.1
TOTAL CREDIT DEFAULT SWAPS								\$ 3	25	0.1

SCHEDULE B

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Loss
(1) Euro-Bund Future, March 2019		
Contracts at EUR 162.34 per contract	\$ (184)	\$ (1)
TOTAL FUTURES	\$ (184)	\$ (1)

\$10 United States Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE C

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CNY 536 Sold USD 78 @ 6.8930	23-Jan-2019	\$ —
Bought CNY 759 Sold USD 110 @ 6.8960	23-Jan-2019	—
Bought CNY 497 Sold USD 72 @ 6.8928	23-Jan-2019	—
Bought CNY 1 548 Sold USD 225 @ 6.8714	23-Jan-2019	—
Bought MXN 527 Sold USD 26 @ 20.2010	23-Jan-2019	1
Bought MXN 1 068 Sold USD 53 @ 20.2305	23-Jan-2019	1
Bought MXN 1 069 Sold USD 53 @ 20.2550	23-Jan-2019	1
Bought MXN 1 065 Sold USD 53 @ 20.1786	23-Jan-2019	1
Bought MXN 1 067 Sold USD 53 @ 20.2113	23-Jan-2019	2
Bought MXN 21 Sold USD 1 @ 20.5976	23-Jan-2019	—
Bought USD 545 Sold EUR 470 @ 1.1585	23-Jan-2019	6
Bought USD 4 Sold MXN 89 @ 0.0487	23-Jan-2019	—
		\$ 12



December 31, 2018

SCHEDULE C (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought USD 79 Sold CNY 547 @ 0.1436	23-Jan-2019	\$ (1)
Bought USD 401 Sold CNY 2 793 @ 0.1436	23-Jan-2019	(5)
Bought USD 16 Sold MXN 328 @ 0.0487	23-Jan-2019	(1)
Bought USD 70 Sold MXN 1 434 @ 0.0488	23-Jan-2019	(3)
Bought USD 72 Sold MXN 1 482 @ 0.0488	23-Jan-2019	(3)
Bought USD 72 Sold MXN 1 482 @ 0.0488	23-Jan-2019	(3)
Bought USD 198 Sold EUR 175 @ 1.1354	23-Jan-2019	(2)
		\$ (18)
TOTAL FOREIGN EXCHANGE		\$ (6)

All counterparties have a credit rating of at least A.



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 30 448
Cash	10
Subscriptions receivable	92
Futures contracts margin receivable	1 923
Unrealized gain on foreign exchange contracts	12
Receivable on open swap contracts	25
Dividends receivable, interest accrued and other assets	519
TOTAL ASSETS	33 029
LIABILITIES	
Due to investment dealers	830
Unrealized loss on futures contracts	1
Unrealized loss on foreign exchange contracts	18
Accounts payable and accrued expenses	4
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	853
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 32 176
Investments at cost	\$ 30 818
NAV	
SERIES 0	\$ 32 176
NAV PER UNIT	
SERIES 0	\$ 9.87

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 411
Derivative income	11
Net realized gain (loss) on investments	(178)
Change in unrealized gain (loss) on investments	(351)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(107)
Net gain (loss) on foreign cash balances	(13)
TOTAL OTHER INCOME (LOSS)	(13)
TOTAL INCOME (LOSS)	(120)
EXPENSES (see notes – Fund Specific Information)	
Administration fees	7
Independent Review Committee costs	1
GST/HST	1
TOTAL EXPENSES	9
INCREASE (DECREASE) IN NAV	\$ (129)
INCREASE (DECREASE) IN NAV SERIES 0	\$ (129)
INCREASE (DECREASE) IN NAV PER UNIT SERIES 0	\$ (0.05)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (129)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes –

Non-cash distributions from underlying funds –

Net realized loss (gain) on investments 178

Change in unrealized loss (gain) on investments 351

(Increase) decrease in accrued receivables (519)

Increase (decrease) in accrued payables 5

(Increase) decrease in margin accounts (1 923)

Cost of investments purchased (48 849)

Proceeds from sale and maturity of investments 18 683

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (32 203)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 32 213

Cash paid on redemption of redeemable units –

Distributions paid to holders of redeemable units –

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 32 213

Net increase (decrease) in cash for the period 10

Cash (bank overdraft), beginning of period –

CASH (BANK OVERDRAFT), END OF PERIOD \$ 10

Interest received (paid) \$ (108)

Dividends received, net of withholding taxes \$ –



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series 0 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	(129)
Early redemption fees	—
Proceeds from redeemable units issued	32 305
Reinvestments of distributions to holders of redeemable units	186
Redemption of redeemable units	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	32 491
Distributions from net income	(186)
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(186)
NET INCREASE (DECREASE) IN NAV	32 176
NAV AT END OF PERIOD	\$ 32 176



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and modest capital appreciation.

The Fund was started June 26, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018
AAA	4.7
AA	4.4
A	3.5
BBB	23.2
BB	23.8
B	37.6
CCC	0.6
D	0.4
Unrated	1.8
Total	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018
Turkey	6.5
Argentina	5.3
Brazil	5.1
Indonesia	4.5
South Africa	3.9
Ukraine	3.1
Kazakhstan	2.5
Mexico	2.5
Chile	2.1
Colombia	1.4
Hong Kong	1.3
United Arab Emirates	1.3
China	1.2
Kuwait	1.2
Thailand	0.6
Other Countries	52.2
Cash/Other	5.3
Total	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	4.8
1 – 5 years	33.6
5 – 10 years	26.6
> 10 years	35.0
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.7%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	30 448	–	30 448
Short-term investments	–	–	–	–
Derivatives – assets	–	37	–	37
Derivatives – liabilities	(1)	(18)	–	(19)
Total financial instruments	(1)	30 467	–	30 466
% of total portfolio	–	100.0	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.10%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services



December 31, 2018

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series 0	2 011 688
Value of all units	19 861

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31 (see note 2 in the generic notes)	2018
Series 0	
Opening units	–
Issued number of units	3 240
Reinvested number of units	19
Redeemed number of units	–
Ending number of units	3 259

**Securities lending revenue (USD000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	212
Fair value of collateral received	217

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	%
Gross revenue	–	100
RBC IS (paid)	–	(25)
Tax withheld	–	–
Fund revenue	–	75

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018
RBC Core Plus Bond Pool	38.3

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	37	(19)
Amounts set-off in the Statement of Financial Position	–	–
Net amounts presented in the Statement of Financial Position	37	(19)
Related amounts not set-off	(13)	13
Collateral (received) pledged	–	6
Net amount	24	–



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FOREIGN BONDS						
Argentina						
5 573	Argentine Bonos del Tesoro ARS	18.200	03-Oct-2021	\$ 122	\$ 121	
				122	121	0.5
Brazil						
7 131	Brazil Notas do Tesouro Nacional Serie F BRL	10.000	01-Jan-2023	1 960	1 928	
				1 960	1 928	8.2
Chile						
240 000	Bonos de la Tesoreria de la Republica en Pesos CLP	4.500	01-Mar-2026	361	358	
125 000	Bonos de la Tesoreria de la Republica en Pesos CLP	5.000	01-Mar-2035	194	192	
				555	550	2.3
Colombia						
3 466 100	Colombian TES COP	10.000	24-Jul-2024	1 270	1 256	
597 400	Colombian TES COP	6.000	28-Apr-2028	174	173	
1 618 600	Colombian TES COP	7.000	30-Jun-2032	493	491	
				1 937	1 920	8.2
Czech Republic						
16 500	Czech Republic Government CZK	0.450	25-Oct-2023	683	690	
				683	690	2.9
Hungary						
94 830	Hungary Government HUF	1.750	26-Oct-2022	333	339	
123 160	Hungary Government HUF	3.000	27-Oct-2027	429	440	
				762	779	3.3
Indonesia						
2 545 000	Indonesia Treasury IDR	8.375	15-Mar-2024	177	179	
876 000	Indonesia Treasury IDR	7.000	15-May-2027	56	56	
2 552 000	Indonesia Treasury IDR	8.750	15-May-2031	180	183	
8 436 000	Indonesia Treasury IDR	8.250	15-May-2036	570	580	
6 596 000	Indonesia Treasury IDR	7.500	15-May-2038	416	419	
				1 399	1 417	6.0
Malaysia						
5 131	Malaysia Government MYR	3.882	14-Mar-2025	1 223	1 235	
				1 223	1 235	5.3
Mexico						
46 620	Mexican Bonos MXN	7.500	03-Jun-2027	2 079	2 205	
				2 079	2 205	9.4
Peru						
1 521	Peruvian Government PEN	8.200	12-Aug-2026	528	530	
689	Peruvian Government PEN	6.350	12-Aug-2028	213	215	
1 152	Peruvian Government PEN	5.940	12-Feb-2029	345	348	
				1 086	1 093	4.7
Philippines						
10 000	Republic of Philippines PHP	3.900	26-Nov-2022	179	178	
				179	178	0.8
Poland						
3 838	Government of Poland PLN	2.750	25-Apr-2028	997	1 020	
				997	1 020	4.3

The accompanying notes are an integral part of the financial statements.



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Romania						
285	Romanian Government RON	4.750	24-Feb-2025	\$ 71	\$ 72	
1 010	Romanian Government RON	5.800	26-Jul-2027	266	269	
				337	341	1.5
Russia						
55 675	Russian Federal Bond - OFZ RUB	7.100	16-Oct-2024	781	755	
33 510	Russian Federal Bond - OFZ RUB	7.750	16-Sep-2026	480	461	
13 698	Russian Federal Bond - OFZ RUB	7.050	19-Jan-2028	186	179	
1 843	Russian Federal Bond - OFZ RUB	7.700	23-Mar-2033	25	25	
				1 472	1 420	6.0
South Africa						
33 353	Republic of South Africa ZAR	8.750	28-Feb-2048	2 064	2 066	
				2 064	2 066	8.8
Thailand						
19 199	Thailand Government THB	3.625	16-Jun-2023	621	628	
11 370	Thailand Government THB	2.125	17-Dec-2026	337	342	
4 861	Thailand Government THB	3.650	20-Jun-2031	160	164	
1 878	Thailand Government THB	3.400	17-Jun-2036	60	61	
				1 178	1 195	5.1
Turkey						
1 288	Republic of Turkey TRY	10.500	15-Jan-2020	220	222	
5 174	Republic of Turkey TRY	11.000	02-Mar-2022	805	821	
3 699	Republic of Turkey TRY	10.500	11-Aug-2027	502	523	
				1 527	1 566	6.7
United States						
7 000	Goldman Sachs International EGP	0.000	30-May-2019	362	371	
				362	371	1.6
Uruguay						
1 056	Uruguay Government UYU	9.875	20-Jun-2022	32	32	
				32	32	0.1
TOTAL FOREIGN BONDS				19 954	20 127	85.7
SHORT-TERM INVESTMENTS*				199	199	0.9
TOTAL INVESTMENTS				20 153	20 326	86.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	345	1.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(366)	(1.6)
TOTAL PORTFOLIO				\$ 20 153	20 305	86.5
CASH					3 006	12.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					173	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 23 484	100.0



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought PLN 58 Sold USD 15 @ 3.7522	02-Jan-2019	\$ —
Bought ZAR 450 Sold USD 31 @ 14.3730	02-Jan-2019	—
Bought RUB 1 684 Sold USD 24 @ 69.5450	09-Jan-2019	—
Bought CLP 27 467 Sold USD 40 @ 686.6700	23-Jan-2019	—
Bought CLP 12 425 Sold USD 18 @ 690.2500	23-Jan-2019	—
Bought CLP 16 687 Sold USD 24 @ 695.3100	23-Jan-2019	—
Bought COP 59 135 Sold USD 18 @ 3285.3000	23-Jan-2019	—
Bought COP 140 928 Sold USD 43 @ 3277.4000	23-Jan-2019	—
Bought CZK 6 022 Sold USD 267 @ 22.5541	23-Jan-2019	1
Bought CZK 6 265 Sold USD 276 @ 22.7019	23-Jan-2019	3
Bought CZK 563 Sold USD 25 @ 22.5116	23-Jan-2019	—
Bought CZK 430 Sold USD 19 @ 22.6163	23-Jan-2019	—
Bought EUR 16 Sold HUF 5 152 @ 0.0031	23-Jan-2019	—
Bought HUF 256 244 Sold USD 908 @ 282.2071	23-Jan-2019	8
Bought HUF 50 118 Sold EUR 155 @ 323.3411	23-Jan-2019	1
Bought HUF 48 409 Sold USD 170 @ 284.3815	23-Jan-2019	3
Bought HUF 39 933 Sold USD 140 @ 284.4100	23-Jan-2019	2
Bought HUF 5 640 Sold USD 20 @ 282.0059	23-Jan-2019	—
Bought HUF 6 458 Sold USD 23 @ 280.7797	23-Jan-2019	—
Bought IDR 4 514 694 Sold USD 308 @ 14680.5000	23-Jan-2019	5
Bought IDR 11 548 832 Sold USD 787 @ 14674.5000	23-Jan-2019	13
Bought IDR 4 838 460 Sold USD 330 @ 14662.0000	23-Jan-2019	5
Bought IDR 7 000 000 Sold USD 479 @ 14619.7001	23-Jan-2019	6
Bought IDR 724 680 Sold USD 50 @ 14493.6000	23-Jan-2019	—
Bought IDR 1 288 082 Sold USD 88 @ 14637.3000	23-Jan-2019	1
Bought IDR 629 537 Sold USD 43 @ 14640.4000	23-Jan-2019	1
Bought MXN 707 Sold USD 34 @ 20.7004	23-Jan-2019	2
Bought MXN 19 533 Sold USD 959 @ 20.3679	23-Jan-2019	32
Bought MXN 16 825 Sold USD 825 @ 20.3963	23-Jan-2019	30
Bought MXN 1 010 Sold USD 50 @ 20.2078	23-Jan-2019	1
Bought MXN 1 652 Sold USD 83 @ 19.9625	23-Jan-2019	1
Bought MXN 2 881 Sold USD 144 @ 19.9709	23-Jan-2019	2
Bought MXN 973 Sold USD 49 @ 19.8482	23-Jan-2019	—
Bought PEN 1 497 Sold USD 443 @ 3.3795	23-Jan-2019	1
Bought PEN 994 Sold USD 295 @ 3.3673	23-Jan-2019	—
Bought PEN 74 Sold USD 22 @ 3.3800	23-Jan-2019	—
Bought PEN 341 Sold USD 101 @ 3.3772	23-Jan-2019	—
Bought PHP 15 627 Sold USD 295 @ 52.8900	23-Jan-2019	2
Bought PHP 10 961 Sold USD 207 @ 52.9500	23-Jan-2019	2
Bought PHP 1 115 Sold USD 21 @ 53.1060	23-Jan-2019	—
Bought PLN 3 419 Sold USD 913 @ 3.7471	23-Jan-2019	2
Bought PLN 3 331 Sold USD 888 @ 3.7507	23-Jan-2019	2
Bought PLN 1 518 Sold USD 400 @ 3.7949	23-Jan-2019	6
Bought PLN 94 Sold USD 25 @ 3.7528	23-Jan-2019	—
Bought PLN 331 Sold USD 88 @ 3.7617	23-Jan-2019	—
Bought PLN 165 Sold USD 44 @ 3.7589	23-Jan-2019	—
Bought PLN 79 Sold USD 21 @ 3.7537	23-Jan-2019	—
Bought RON 1 217 Sold USD 297 @ 4.0912	23-Jan-2019	2
Bought RON 1 334 Sold USD 328 @ 4.0671	23-Jan-2019	—
Bought RON 453 Sold USD 110 @ 4.1044	23-Jan-2019	1
Bought RON 127 Sold USD 31 @ 4.1044	23-Jan-2019	—
Bought RON 65 Sold USD 16 @ 4.0701	23-Jan-2019	—
Bought RON 61 Sold USD 15 @ 4.0754	23-Jan-2019	—
Bought RUB 731 Sold USD 11 @ 66.7550	23-Jan-2019	—

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought RUB 2 302 Sold USD 33 @ 69.7460	23-Jan-2019	\$ —
Bought RUB 4 168 Sold USD 60 @ 69.4677	23-Jan-2019	—
Bought THB 25 288 Sold USD 772 @ 32.7633	23-Jan-2019	5
Bought THB 822 Sold USD 25 @ 32.7500	23-Jan-2019	—
Bought THB 8 552 Sold USD 261 @ 32.7500	23-Jan-2019	2
Bought THB 4 039 Sold USD 123 @ 32.7500	23-Jan-2019	1
Bought THB 2 194 Sold USD 67 @ 32.7450	23-Jan-2019	—
Bought THB 29 818 Sold USD 910 @ 32.7580	23-Jan-2019	6
Bought THB 817 Sold USD 25 @ 32.6756	23-Jan-2019	—
Bought THB 2 937 Sold USD 90 @ 32.6383	23-Jan-2019	—
Bought THB 1 430 Sold USD 44 @ 32.5000	23-Jan-2019	—
Bought TRY 3 041 Sold USD 561 @ 5.4215	23-Jan-2019	6
Bought TRY 3 378 Sold USD 616 @ 5.4797	23-Jan-2019	14
Bought TRY 97 Sold USD 18 @ 5.3957	23-Jan-2019	—
Bought TRY 156 Sold USD 29 @ 5.3646	23-Jan-2019	—
Bought USD 1 824 Sold COP 5 833 781 @ 0.0003	23-Jan-2019	32
Bought USD 66 Sold PEN 224 @ 0.2958	23-Jan-2019	—
Bought USD 151 Sold COP 481 797 @ 0.0003	23-Jan-2019	3
Bought USD 300 Sold ZAR 4 327 @ 0.0693	23-Jan-2019	—
Bought USD 863 Sold COP 2 754 140 @ 0.0003	23-Jan-2019	15
Bought USD 238 Sold CLP 161 908 @ 0.0015	23-Jan-2019	5
Bought USD 318 Sold PEN 1 074 @ 0.2962	23-Jan-2019	—
Bought USD 725 Sold ZAR 10 425 @ 0.0695	23-Jan-2019	2
Bought USD 634 Sold RUB 42 248 @ 0.0150	23-Jan-2019	30
Bought USD 758 Sold COP 2 421 052 @ 0.0003	23-Jan-2019	13
Bought USD 415 Sold CLP 283 653 @ 0.0015	23-Jan-2019	6
Bought USD 412 Sold PEN 1 391 @ 0.2963	23-Jan-2019	—
Bought USD 854 Sold ZAR 12 300 @ 0.0694	23-Jan-2019	1
Bought USD 630 Sold RUB 42 000 @ 0.0150	23-Jan-2019	29
Bought USD 12 Sold PEN 40 @ 0.2973	23-Jan-2019	—
Bought USD 216 Sold ZAR 3 070 @ 0.0702	23-Jan-2019	3
Bought USD 44 Sold THB 1 420 @ 0.0307	23-Jan-2019	—
Bought USD 19 Sold TRY 100 @ 0.1874	23-Jan-2019	—
Bought USD 38 Sold COP 124 115 @ 0.0003	23-Jan-2019	—
Bought USD 31 Sold ZAR 450 @ 0.0694	23-Jan-2019	—
Bought USD 15 Sold PLN 58 @ 0.2666	23-Jan-2019	—
Bought USD 24 Sold RUB 1 684 @ 0.0144	23-Jan-2019	—
Bought USD 31 Sold TRY 166 @ 0.1865	23-Jan-2019	—
Bought USD 96 Sold MXN 1 893 @ 0.0507	23-Jan-2019	—
Bought ZAR 12 231 Sold USD 848 @ 14.4313	23-Jan-2019	—
Bought ZAR 893 Sold USD 62 @ 14.4233	23-Jan-2019	—
Bought ZAR 717 Sold USD 50 @ 14.3468	23-Jan-2019	—
Bought ZAR 1 168 Sold USD 81 @ 14.4189	23-Jan-2019	—
Bought ZAR 569 Sold USD 39 @ 14.5859	23-Jan-2019	—
Bought BRL 7 026 Sold USD 1 800 @ 3.9035	04-Feb-2019	9
Bought BRL 4 921 Sold USD 1 250 @ 3.9370	04-Feb-2019	17
Bought BRL 1 916 Sold USD 490 @ 3.9072	04-Feb-2019	3
Bought BRL 2 750 Sold USD 703 @ 3.9139	04-Feb-2019	5
Bought BRL 195 Sold USD 50 @ 3.8960	04-Feb-2019	—
Bought BRL 116 Sold USD 30 @ 3.8752	04-Feb-2019	—
Bought BRL 224 Sold USD 57 @ 3.9295	04-Feb-2019	1
Bought PLN 152 Sold USD 40 @ 3.8020	04-Feb-2019	1
Bought THB 1 310 Sold USD 40 @ 32.7566	04-Feb-2019	—
Bought TRY 222 Sold USD 40 @ 5.5416	04-Feb-2019	1

\$ 345

The accompanying notes are an integral part of the financial statements.



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CLP 306 907 Sold USD 454 @ 675.6200	23-Jan-2019	\$ (12)
Bought CLP 298 991 Sold USD 442 @ 676.4500	23-Jan-2019	(11)
Bought CLP 151 399 Sold USD 222 @ 682.5000	23-Jan-2019	(4)
Bought CLP 61 030 Sold USD 90 @ 678.1100	23-Jan-2019	(2)
Bought COP 5 839 530 Sold USD 1 830 @ 3191.0000	23-Jan-2019	(34)
Bought COP 2 747 759 Sold USD 865 @ 3176.6000	23-Jan-2019	(20)
Bought COP 192 025 Sold USD 60 @ 3200.4200	23-Jan-2019	(1)
Bought COP 512 160 Sold USD 160 @ 3201.0000	23-Jan-2019	(2)
Bought COP 2 200 000 Sold USD 689 @ 3192.0000	23-Jan-2019	(13)
Bought EUR 522 Sold HUF 168 797 @ 0.0031	23-Jan-2019	(4)
Bought RUB 3 789 Sold USD 56 @ 67.3320	23-Jan-2019	(2)
Bought RUB 47 389 Sold USD 710 @ 66.7455	23-Jan-2019	(32)
Bought RUB 13 767 Sold USD 206 @ 66.7032	23-Jan-2019	(9)
Bought RUB 5 393 Sold USD 81 @ 66.7032	23-Jan-2019	(4)
Bought RUB 19 640 Sold USD 294 @ 66.7300	23-Jan-2019	(13)
Bought RUB 3 372 Sold USD 50 @ 67.4385	23-Jan-2019	(2)
Bought USD 205 Sold TRY 1 129 @ 0.1816	23-Jan-2019	(6)
Bought USD 157 Sold HUF 44 437 @ 0.0035	23-Jan-2019	(2)
Bought USD 233 Sold THB 7 635 @ 0.0305	23-Jan-2019	(2)
Bought USD 282 Sold THB 9 245 @ 0.0305	23-Jan-2019	(2)
Bought USD 603 Sold IDR 8 822 225 @ 0.0001	23-Jan-2019	(8)
Bought USD 280 Sold RON 1 146 @ 0.2443	23-Jan-2019	(2)
Bought USD 820 Sold THB 26 873 @ 0.0305	23-Jan-2019	(6)
Bought USD 354 Sold CZK 8 018 @ 0.0442	23-Jan-2019	(3)
Bought USD 805 Sold PLN 3 040 @ 0.2648	23-Jan-2019	(8)
Bought USD 433 Sold HUF 122 661 @ 0.0035	23-Jan-2019	(5)
Bought USD 538 Sold TRY 2 958 @ 0.1819	23-Jan-2019	(14)
Bought USD 876 Sold MXN 17 791 @ 0.0492	23-Jan-2019	(26)
Bought USD 805 Sold IDR 11 807 740 @ 0.0001	23-Jan-2019	(13)
Bought USD 201 Sold PHP 10 633 @ 0.0189	23-Jan-2019	(1)
Bought USD 673 Sold TRY 3 700 @ 0.1819	23-Jan-2019	(17)
Bought USD 893 Sold MXN 18 151 @ 0.0492	23-Jan-2019	(29)
Bought USD 431 Sold PLN 1 637 @ 0.2634	23-Jan-2019	(6)
Bought USD 151 Sold RON 620 @ 0.2432	23-Jan-2019	(2)
Bought USD 335 Sold HUF 95 390 @ 0.0035	23-Jan-2019	(6)
Bought USD 210 Sold MXN 4 232 @ 0.0496	23-Jan-2019	(5)
Bought USD 86 Sold ZAR 1 255 @ 0.0686	23-Jan-2019	(1)
Bought ZAR 2 229 Sold USD 157 @ 14.2192	23-Jan-2019	(2)
Bought ZAR 11 614 Sold USD 808 @ 14.3742	23-Jan-2019	(3)
Bought USD 1 808 Sold BRL 7 056 @ 0.2563	04-Feb-2019	(8)
Bought USD 843 Sold BRL 3 322 @ 0.2539	04-Feb-2019	(12)
Bought USD 1 044 Sold BRL 4 100 @ 0.2546	04-Feb-2019	(12)
		\$ (366)
TOTAL FOREIGN EXCHANGE		\$ (21)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.37% and mature on March 7, 2019.

The accompanying notes are an integral part of the financial statements.



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

(IN U.S. DOLLARS)

Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 20 326
Cash	3 006
Unrealized gain on foreign exchange contracts	345
Dividends receivable, interest accrued and other assets	336
TOTAL ASSETS	24 013
LIABILITIES	
Due to investment dealers	161
Unrealized loss on foreign exchange contracts	366
Accounts payable and accrued expenses	2
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	529
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 23 484
Investments at cost	\$ 20 153
NAV SERIES 0	\$ 23 484
NAV PER UNIT SERIES 0	\$ 9.97

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 169
Derivative income	(3)
Net realized gain (loss) on investments	(37)
Change in unrealized gain (loss) on investments	152
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	281
Other income (loss)	15
Net gain (loss) on foreign cash balances	18
TOTAL OTHER INCOME (LOSS)	33
TOTAL INCOME (LOSS)	314
EXPENSES (see notes – Fund Specific Information)	
Administration fees	2
TOTAL EXPENSES	2
INCREASE (DECREASE) IN NAV	\$ 312
INCREASE (DECREASE) IN NAV SERIES 0	\$ 312
INCREASE (DECREASE) IN NAV PER UNIT SERIES 0	\$ 0.14

The accompanying notes are an integral part of these financial statements.



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ 312

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes (6)

Non-cash distributions from underlying funds —

Net realized loss (gain) on investments 32

Change in unrealized loss (gain) on investments (152)

(Increase) decrease in accrued receivables (336)

Increase (decrease) in accrued payables 2

(Increase) decrease in margin accounts —

Cost of investments purchased (27 853)

Proceeds from sale and maturity of investments 7 835

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (20 166)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 23 172

Cash paid on redemption of redeemable units —

Distributions paid to holders of redeemable units —

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 23 172

Net increase (decrease) in cash for the period 3 006

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 3 006

Interest received (paid) \$ —

Dividends received, net of withholding taxes \$ —



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series 0 2018
NAV AT BEGINNING OF PERIOD	\$ —
INCREASE (DECREASE) IN NAV	312
Early redemption fees	—
Proceeds from redeemable units issued	23 172
Reinvestments of distributions to holders of redeemable units	402
Redemption of redeemable units	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	23 574
Distributions from net income	(402)
Distributions from net gains	—
Distributions from capital	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(402)
NET INCREASE (DECREASE) IN NAV	23 484
NAV AT END OF PERIOD	\$ 23 484



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and modest capital appreciation.

The Fund was started June 26, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AA	3.4
A	30.7
BBB	30.8
BB	30.0
Unrated	5.1
Total	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Mexico	9.4
South Africa	8.8
Brazil	8.2
Colombia	8.2
Turkey	6.7
Indonesia	6.0
Russia	6.0
Malaysia	5.3
Thailand	5.1
Peru	4.7
Poland	4.3
Hungary	3.3
Czech Republic	2.9
Chile	2.3
United States	1.6
Romania	1.5
Philippines	0.8
Argentina	0.5
Uruguay	0.1
Cash/Other	14.3
Total	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	1.8
1 – 5 years	24.8
5 – 10 years	51.0
> 10 years	22.4
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.1%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
Brazilian real	12.2
Mexican peso	10.1
Polish zloty	9.4
Thailand baht	9.4
Indonesian rupiah	9.2
Colombian peso	8.7
South African rand	8.2
Russian ruble	7.0
Turkish new lira	5.8
Malaysian ringgit	5.3
Chilean peso	5.0
Peruvian nuevo sol	4.5
Czech koruna	4.0
Romanian leu	3.1
Hungarian forint	2.9
Philippine peso	2.2
Euro	1.9
Egyptian pound	1.6
Argentinian peso	0.5
United States dollar	(11.4)
Other currencies	0.1
Total	99.7

As at December 31, 2018, if the United States dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.



**BLUEBAY EMERGING MARKETS LOCAL
CURRENCY BOND FUND (CANADA)**

December 31, 2018

**Fair value hierarchy (USD000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	20 127	–	20 127
Short-term investments	–	199	–	199
Derivatives – assets	–	345	–	345
Derivatives – liabilities	–	(366)	–	(366)
Total financial instruments	–	20 305	–	20 305
% of total portfolio	–	100.0	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.10%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series 0	1 119 167
Value of all units	11 156

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Series 0	
Opening units	–
Issued number of units	2 316
Reinvested number of units	40
Redeemed number of units	–
Ending number of units	2 356

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018
RBC Core Plus Bond Pool	52.5

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	345	(366)
Amounts set-off in the Statement of Financial Position	–	–
Net amounts presented in the Statement of Financial Position	345	(366)
Related amounts not set-off	(345)	345
Collateral (received) pledged	–	21
Net amount	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
BLUEBAY EMERGING MARKETS CORPORATE BOND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Brazil				
256 847	Oi S.A. ADR	\$ 5 332	\$ 419	
		5 332	419	0.1
Colombia				
2 080	Frontera Energy Corp.	34	20	
		34	20	–
Mexico				
164 286	Urbi Desarrollos Urbanos S.A.B. de C.V.	6 037	21	
92 938	Urbi Desarrollos Urbanos S.A.B. de C.V., Warrants @ 10.643 May 26, 2026	–	3	
		6 037	24	–
Mongolia				
5 543 355	Mongolian Mining Corp.	154	112	
		154	112	–
TOTAL EQUITIES		11 557	575	0.1

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Argentina						
3 726	Agua y Saneamientos Argentinos S.A. USD	6.625	01-Feb-2023	\$ 3 726	\$ 2 683	
13 036	Republic of Argentina USD	2.500	31-Dec-2038	7 508	7 226	
3 705	Republic of Argentina USD	7.625	22-Apr-2046	2 912	2 699	
9 440	Republic of Argentina USD	6.875	11-Jan-2048	7 124	6 591	
1 980	Stoneway Capital Corp. USD	10.000	01-Mar-2027	2 101	1 790	
62 280	YPF S.A. ARS	16.500	09-May-2022	4 059	1 091	
3 115	YPF S.A. USD	7.000	15-Dec-2047	2 483	2 243	
				29 913	24 323	3.5
Austria						
2 150	JBS Investments II GmbH USD	7.000	15-Jan-2026	2 135	2 112	
2 755	Suzano Austria GmbH USD	6.000	15-Jan-2029	2 729	2 818	
				4 864	4 930	0.7
Brazil						
7 619	Banco do Brasil S.A. USD	6.250	Perpetual	5 912	6 562	
4 934	Braskem Netherlands Finance BV USD	4.500	10-Jan-2028	4 840	4 579	
5 354	Cemig Geracao e Transmissao S.A. USD	9.250	05-Dec-2024	5 356	5 718	
1 432	Centrais Eletricas Brasileiras S.A. USD	5.750	27-Oct-2021	1 415	1 446	
3 140	Eldorado Intl. Finance GmbH USD	8.625	16-Jun-2021	3 141	3 266	
2 457	Embraer Netherlands Finance BV USD	5.050	15-Jun-2025	2 536	2 494	
4 037	Embraer Netherlands Finance BV USD	5.400	01-Feb-2027	4 265	4 183	
3 830	Fibria Overseas Finance Ltd. USD	4.000	14-Jan-2025	3 599	3 626	
2 586	Gol Finance Inc. USD	7.000	31-Jan-2025	2 550	2 305	
1 954	GTL Trade Finance Inc. USD	5.893	29-Apr-2024	2 004	2 042	
2 468	Itau Unibanco Holding S.A. USD	6.125	Perpetual	2 466	2 320	
5 302	Oi S.A. USD	10.000	25-Jul-2025	2 434	5 269	
3 543	Petrobras Global Finance BV USD	6.250	17-Mar-2024	3 515	3 608	
5 924	Petrobras Global Finance BV EUR	4.750	14-Jan-2025	6 960	7 082	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Brazil (cont.)						
1 632	Petrobras Global Finance BV USD	8.750	23-May-2026	\$ 1 771	\$ 1 834	
5 674	Petrobras Global Finance BV USD	5.999	27-Jan-2028	5 352	5 356	
6 664	Republic of Argentina USD	5.875	11-Jan-2028	5 162	4 831	
9 267	Samarco Mineracao S.A. USD	4.125	01-Nov-2022	6 163	7 043	
4 040	Suzano Austria GmbH USD	7.000	16-Mar-2047	4 184	4 155	
				73 625	77 719	11.0
Canada						
1 225	First Quantum Minerals Ltd. USD	7.500	01-Apr-2025	1 089	1 015	
6 932	First Quantum Minerals Ltd. USD	6.875	01-Mar-2026	6 009	5 595	
				7 098	6 610	0.9
Chile						
14 000	Corp Nacional del Cobre de Chile USD	4.500	13-Aug-2023	14 434	14 352	
3 558	Inversiones CMPC S.A. USD	4.750	15-Sep-2024	3 616	3 564	
3 553	SACI Falabella USD	4.375	27-Jan-2025	3 519	3 474	
9 193	VTR Finance BV USD	6.875	15-Jan-2024	9 268	9 227	
				30 837	30 617	4.3
China						
3 270	Agile Group Holdings Ltd. USD	9.500	23-Nov-2020	3 270	3 405	
3 935	Central China Real Estate Ltd. USD	6.875	23-Oct-2020	3 894	3 869	
610	China Evergrande Group USD	6.250	28-Jun-2021	594	583	
19 000	China Evergrande Group, Convertible HKD	4.250	14-Feb-2023	2 160	2 135	
4 300	China Evergrande Group USD	7.500	28-Jun-2023	3 569	3 806	
5 570	China Minmetals Corp. USD	4.450	Perpetual	5 570	5 448	
1 540	CMHI Finance BVI Co. Ltd. USD	5.000	06-Aug-2028	1 525	1 571	
3 336	CNOOC Finance 2011 Ltd. USD	4.250	26-Jan-2021	3 404	3 386	
3 510	Dianjian International Finance Ltd. USD	4.600	Perpetual	3 510	3 293	
7 442	Kaisa Group Holdings Ltd. USD	8.500	30-Jun-2022	6 989	5 520	
1 530	Logan Property Holdings Co. Ltd. USD	8.750	12-Dec-2020	1 530	1 561	
5 000	Sinopec Group Overseas Development 2016 Ltd. USD	2.125	03-May-2019	4 964	4 986	
13 000	State Grid Overseas Investment 2016 Ltd. USD	3.750	02-May-2023	13 049	13 134	
2 130	Vanke Real Estate Hong Kong Co. Ltd. USD	3.975	09-Nov-2027	2 124	1 902	
6 833	Yingde Gases Investment Ltd. USD	6.250	19-Jan-2023	6 848	6 440	
				63 000	61 039	8.6
Colombia						
6 570	Bancolombia S.A. USD	4.875	18-Oct-2027	6 570	6 348	
2 699	Colombia Telecomunicaciones S.A. E.S.P. USD	8.500	Perpetual	2 882	2 787	
5 500	Ecopetrol S.A. USD	5.875	18-Sep-2023	5 819	5 748	
5 856	Ecopetrol S.A. USD	5.875	28-May-2045	5 779	5 543	
440	Empresa de Telecomunicaciones de Bogota COP	7.000	17-Jan-2023	—	—	
10 000 000	Empresas Publicas de Medellin E.S.P. COP	8.375	08-Nov-2027	3 287	2 983	
2 990	Transportadora de Gas Internacional S.A. E.S.P. USD	5.550	01-Nov-2028	2 990	3 031	
				27 327	26 440	3.7
Democratic Republic of the Congo						
3 260	HTA Group Ltd. USD	9.125	08-Mar-2022	3 332	3 324	
				3 332	3 324	0.5
Georgia						
4 110	BGEO Group JSC USD	6.000	26-Jul-2023	4 177	4 008	
				4 177	4 008	0.6
Ghana						
6 880	Tullow Oil Plc. USD	6.250	15-Apr-2022	6 992	6 656	
				6 992	6 656	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Hong Kong						
10 000	CNAC HK Finbridge Co. Ltd. USD	4.125	14-Mar-2021	\$ 10 026	\$ 10 011	
3 218	Hutchison Whampoa International 09 Ltd. USD	7.625	09-Apr-2019	3 331	3 258	
7 800	Melco Resorts Finance Ltd. USD	4.875	06-Jun-2025	7 291	7 179	
				20 648	20 448	2.9
India						
198 000	Indiabulls Housing Finance Ltd. INR	8.567	15-Oct-2019	3 094	2 802	
2 814	NTPC Ltd. USD	5.625	14-Jul-2021	3 095	2 931	
4 000	State Bank of India USD	4.500	28-Sep-2023	3 981	4 040	
3 570	Vedanta Resources Plc. USD	6.000	31-Jan-2019	3 601	3 566	
				13 771	13 339	1.9
Indonesia						
4 250	Indonesia Asahan Aluminium Persero PT USD	5.710	15-Nov-2023	4 197	4 331	
19 600 000	Jasa Marga Persero Tbk PT IDR	7.500	11-Dec-2020	1 445	1 279	
13 522	Minejasa Capital BV USD	5.625	10-Aug-2037	13 722	11 900	
				19 364	17 510	2.5
Ireland						
1 779	C&W Senior Financing Designated Activity Co. USD	6.875	15-Sep-2027	1 821	1 641	
				1 821	1 641	0.2
Israel						
471	Delek & Avner Tamar Bond Ltd. USD	4.435	30-Dec-2020	473	470	
1 506	Delek & Avner Tamar Bond Ltd. USD	5.082	30-Dec-2023	1 513	1 507	
2 151	Delek & Avner Tamar Bond Ltd. USD	5.412	30-Dec-2025	2 163	2 157	
3 612	Israel Electric Corp. Ltd. USD	5.000	12-Nov-2024	3 751	3 647	
1 436	Teva Pharmaceutical Finance Co. BV USD	3.650	10-Nov-2021	1 367	1 361	
1 149	Teva Pharmaceutical Finance Netherlands III BV USD	2.200	21-Jul-2021	1 036	1 057	
6 930	Teva Pharmaceutical Finance Netherlands III BV USD	2.800	21-Jul-2023	6 230	5 974	
				16 533	16 173	2.3
Jamaica						
2 486	Digicel Ltd. USD	6.750	01-Mar-2023	2 230	1 979	
				2 230	1 979	0.3
Kazakhstan						
2 087	KazMunayGas National Co. JSC USD	3.875	19-Apr-2022	2 065	2 058	
1 533	KazMunayGas National Co. JSC USD	4.750	24-Apr-2025	1 515	1 523	
5 128	KazMunayGas National Co. JSC USD	6.375	24-Oct-2048	5 150	5 175	
				8 730	8 756	1.2
Kuwait						
4 730	NBK Tier 1 Financing Ltd. USD	5.750	Perpetual	4 878	4 787	
				4 878	4 787	0.7
Luxembourg						
5 022	Altice Financing S.A. USD	6.625	15-Feb-2023	5 066	4 834	
2 549	Altice Financing S.A. USD	7.500	15-May-2026	2 620	2 332	
1 880	Millicom International Cellular S.A. USD	6.625	15-Oct-2026	1 880	1 906	
				9 566	9 072	1.3
Macao						
6 997	Sands China Ltd. USD	5.125	08-Aug-2025	6 957	6 938	
2 530	Sands China Ltd. USD	5.400	08-Aug-2028	2 523	2 448	
				9 480	9 386	1.3
Malaysia						
11 300	1MDB Energy Ltd. USD	5.990	11-May-2022	11 640	11 460	
				11 640	11 460	1.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Mexico						
7 453	Banco Mercantil del Norte S.A. USD	6.875	Perpetual	\$ 7 642	\$ 7 239	
5 806	Banco Mercantil del Norte S.A. USD	7.625	Perpetual	5 904	5 646	
2 750	Cemex S.A.B. de C.V. USD	7.750	16-Apr-2026	3 068	2 898	
3 519	Petroleos Mexicanos USD	8.000	03-May-2019	3 629	3 567	
2 505	Petroleos Mexicanos USD	5.500	27-Jun-2044	1 920	1 906	
5 477	Petroleos Mexicanos USD	5.625	23-Jan-2046	4 542	4 173	
				26 705	25 429	3.6
Mongolia						
808	Energy Resources LLC USD	0.000	Perpetual	233	403	
5 370	Trade & Development Bank of Mongolia LLC USD	9.375	19-May-2020	5 726	5 612	
				5 959	6 015	0.9
Morocco						
2 850	OCP S.A. USD	5.625	25-Apr-2024	3 020	2 927	
3 480	OCP S.A. USD	4.500	22-Oct-2025	3 476	3 343	
				6 496	6 270	0.9
Netherlands						
7 200	Equate Petrochemical BV USD	4.250	03-Nov-2026	7 109	6 990	
2 059	IHS Netherlands Holdco BV USD	9.500	27-Oct-2021	2 177	2 079	
2 237	Indo Energy Finance II BV USD	6.375	24-Jan-2023	2 158	2 101	
758	Petrobras Global Finance BV USD	6.850	05-Jun-2115	663	680	
3 350	SABIC Capital II BV USD	4.000	10-Oct-2023	3 336	3 340	
1 510	SABIC Capital II BV USD	4.500	10-Oct-2028	1 498	1 505	
				16 941	16 695	2.4
Nigeria						
8 573	Access Bank Plc. USD	10.500	19-Oct-2021	9 302	9 142	
4 750	Nigeria Government USD	7.625	21-Nov-2025	4 750	4 603	
6 050	Nigeria Government USD	8.747	21-Jan-2031	6 050	5 900	
2 540	Nigeria Government USD	9.248	21-Jan-2049	2 540	2 477	
4 501	United Bank for Africa Plc. USD	7.750	08-Jun-2022	4 478	4 467	
				27 120	26 589	3.8
Oman						
7 284	National Bank of Oman SAOG USD	5.625	25-Sep-2023	7 249	7 075	
8 513	Oman Government USD	4.125	17-Jan-2023	8 254	7 849	
				15 503	14 924	2.1
Peru						
4 570	Orazul Energy Egenor S en C por A USD	5.625	28-Apr-2027	4 570	4 050	
3 659	VM Holding S.A. USD	5.375	04-May-2027	3 577	3 554	
				8 147	7 604	1.1
Qatar						
4 000	CBQ Finance Ltd. USD	2.875	24-Jun-2019	3 981	3 977	
3 170	Qatar Reinsurance Co. Ltd. USD	4.950	Perpetual	3 157	3 019	
3 680	QNB Finance Ltd. USD	2.875	29-Apr-2020	3 640	3 636	
3 561	State of Qatar USD	6.550	09-Apr-2019	3 671	3 599	
4 983	State of Qatar USD	5.103	23-Apr-2048	4 983	5 247	
				19 432	19 478	2.8
Russia						
2 276	VTB Bank PJSC USD	9.500	Perpetual	2 505	2 145	
				2 505	2 145	0.3
Saudi Arabia						
4 420	Saudi Electricity Global Sukuk Co. 4 USD	4.222	27-Jan-2024	4 420	4 412	
				4 420	4 412	0.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Singapore						
3 720	Global Logistic Properties Ltd. USD	3.875	04-Jun-2025	\$ 3 626	\$ 3 289	
1 467	Indika Energy Capital III Pte Ltd. USD	5.875	09-Nov-2024	1 298	1 283	
2 041	United Overseas Bank Ltd. USD	3.500	16-Sep-2026	2 040	2 024	
				6 964	6 596	0.9
South Africa						
1 692	AngloGold Ashanti Holdings Plc. USD	5.125	01-Aug-2022	1 496	1 711	
3 720	Barclays Africa Group Ltd. USD	6.250	25-Apr-2028	3 687	3 523	
12 844	Gold Fields Orogen Holdings BVI Ltd. USD	4.875	07-Oct-2020	12 588	12 732	
6 315	MTN Mauritius Investment Ltd. USD	6.500	13-Oct-2026	6 791	6 185	
2 850	Myriad International Holdings BV USD	5.500	21-Jul-2025	3 000	2 879	
2 357	Myriad International Holdings BV USD	4.850	06-Jul-2027	2 357	2 267	
1 800	Sibanye Gold Ltd., Convertible USD	1.875	26-Sep-2023	1 319	1 381	
32 280	Transnet SOC Ltd. ZAR	9.500	13-May-2021	2 373	2 249	
				33 611	32 927	4.7
Supranational						
4 500	The African Export-Import Bank USD	5.250	11-Oct-2023	4 495	4 501	
				4 495	4 501	0.6
Thailand						
5 190	Bangkok Bank PCL USD	4.050	19-Mar-2024	5 182	5 220	
3 076	PTTEP Treasury Center Co. Ltd. USD	4.875	Perpetual	3 087	3 066	
1 950	Thaioil Treasury Center Co. Ltd. USD	4.625	20-Nov-2028	1 931	1 972	
2 680	Thaioil Treasury Center Co. Ltd. USD	5.375	20-Nov-2048	2 649	2 712	
				12 849	12 970	1.8
Turkey						
3 137	KOC Holding A.S. USD	5.250	15-Mar-2023	2 779	2 943	
14 575	Republic of Turkey USD	3.250	23-Mar-2023	12 527	13 125	
750	TC Ziraat Bankasi A.S. USD	5.125	29-Sep-2023	621	665	
11 480	Türkiye Garanti Bankasi A.S. TRY	11.500	12-Nov-2021	2 984	1 732	
1 367	Türkiye İş Bankasi USD	5.000	25-Jun-2021	1 275	1 252	
3 892	Türkiye İş Bankasi USD	5.375	06-Oct-2021	3 843	3 567	
1 270	Türkiye İş Bankasi USD	6.125	25-Apr-2024	1 265	1 075	
2 479	Türkiye Vakıflar Bankasi T.A.O. USD	5.500	27-Oct-2021	2 124	2 276	
2 533	Türkiye Vakıflar Bankasi T.A.O. USD	5.750	30-Jan-2023	2 171	2 233	
10 150	Yapi ve Kredi Bankasi A.S. TRY	13.125	10-Jun-2020	2 878	1 689	
2 948	Yapi ve Kredi Bankasi A.S. USD	5.750	24-Feb-2022	2 653	2 774	
				35 120	33 331	4.7
Ukraine						
2 228	DTEK Finance Plc. USD	10.750	31-Dec-2024	2 332	2 058	
5 640	JSC Oschadbank USD	9.375	10-Mar-2023	5 871	5 573	
1 089	JSC Ukreximbank USD	9.750	22-Jan-2025	1 178	1 025	
1 565	Metinvest BV USD	7.750	23-Apr-2023	1 523	1 430	
2 985	Ukraine Government USD	0.000	31-May-2040	1 719	1 720	
				12 623	11 806	1.7
United Arab Emirates						
681	ADCB Finance Cayman Ltd. USD	3.000	04-Mar-2019	681	681	
10 840	DP World Crescent Ltd. USD	4.848	26-Sep-2028	10 840	10 640	
3 370	DP World Ltd. USD	5.625	25-Sep-2048	3 334	3 181	
5 750	Emirates NBD 2014 Tier 1 Ltd. USD	6.375	Perpetual	6 016	5 842	
8 000	Emirates NBD PJSC USD	3.155	12-Feb-2020	7 984	7 988	
7 072	Emirates NBD Tier 1 Ltd. USD	5.750	Perpetual	7 101	7 083	
3 440	MAF Global Securities Ltd. USD	5.500	Perpetual	3 297	3 245	
				39 253	38 660	5.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United Kingdom						
802	Doric Nimrod Air Finance Alpha Ltd 2012-1 Class A Pass Through Trust USD	5.125	30-Nov-2022	\$ 821	\$ 807	
7 910	Liquid Telecommunications Financing Plc USD	8.500	13-Jul-2022	8 151	7 994	
3 800	MARB BondCo Plc. USD	7.000	15-Mar-2024	3 667	3 604	
3 523	Petra Diamonds US Treasury Plc. USD	7.250	01-May-2022	3 392	3 268	
				16 031	15 673	2.2
United States						
6 156	SASOL Financing USA LLC	5.875	27-Mar-2024	6 147	6 149	
2 487	SASOL Financing USA LLC	6.500	27-Sep-2028	2 484	2 493	
1 632	Southern Copper Corp.	5.250	08-Nov-2042	1 551	1 558	
				10 182	10 200	1.4
TOTAL BONDS				674 182	656 442	92.9
TOTAL INVESTMENTS				685 739	657 017	93.0
CREDIT DEFAULT SWAPS (SCHEDULE A)				525	1 385	0.2
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	620	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(774)	(0.1)
TOTAL PORTFOLIO				\$ 686 264	658 248	93.2
CASH					38 031	5.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					9 740	1.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 706 019	100.0

SCHEDULE A

Credit Default Swaps

Notional Amount (000s)	Reference Entity	Currency	Pay/Receive Fixed Rate	Fixed Rate	Expiration Date	Counterparty	Credit Rating	Cost	Fair Value	% of Net Assets
6 275	Pemex Project Funding Master Trust USD 6.625% Jun 15 2035	USD	Pay	1.00%	20-Dec-2020	Citigroup Inc.	BBB+	\$ 143	153	—
5 500	Republic of Argentina USD 7.500% Apr 22 2026	USD	Pay	5.00%	20-Dec-2020	Citigroup Inc.	BBB+	76	309	0.1
14 450	Republic of Argentina USD 7.500% Apr 22 2026	USD	Pay	5.00%	20-Dec-2020	The Goldman Sachs Group, Inc.	BBB+	104	811	0.1
7 250	Republic of Brazil USD 4.250% Jan 7 2025	USD	Pay	1.00%	20-Dec-2020	BNP Paribas S.A.	A	131	35	—
7 250	Republic of South Africa USD 5.500% Mar 9 2020	USD	Pay	1.00%	20-Dec-2020	Citigroup Inc.	BBB+	71	77	—
TOTAL CREDIT DEFAULT SWAPS								\$ 525	1 385	0.2



December 31, 2018

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought ARS 15 799 Sold USD 391 @ 40.4500	23-Jan-2019	\$ 16
Bought ARS 7 765 Sold USD 191 @ 40.6000	23-Jan-2019	9
Bought INR 221 913 Sold USD 3 016 @ 73.5860	23-Jan-2019	165
Bought TRY 15 120 Sold USD 2 655 @ 5.6953	23-Jan-2019	165
Bought TRY 1 299 Sold USD 236 @ 5.5104	23-Jan-2019	7
Bought USD 3 505 Sold COP 10 754 884 @ 0.0003	23-Jan-2019	197
Bought USD 2 161 Sold HKD 16 916 @ 0.1278	23-Jan-2019	—
Bought USD 3 054 Sold EUR 2 636 @ 1.1587	23-Jan-2019	28
Bought USD 1 132 Sold CAD 1 500 @ 0.7549	23-Jan-2019	33
		\$ 620

Contracts	Maturity Date	Unrealized Loss
Bought USD 1 256 Sold IDR 19 406 488 @ 0.0001	23-Jan-2019	\$ (88)
Bought USD 2 977 Sold INR 221 913 @ 0.0134	23-Jan-2019	(204)
Bought USD 1 066 Sold ARS 43 678 @ 0.0244	23-Jan-2019	(58)
Bought USD 2 260 Sold ZAR 32 691 @ 0.0691	23-Jan-2019	(6)
Bought USD 2 540 Sold TRY 15 120 @ 0.1680	23-Jan-2019	(279)
Bought USD 776 Sold ARS 31 456 @ 0.0247	23-Jan-2019	(33)
Bought USD 926 Sold ZAR 13 415 @ 0.0690	23-Jan-2019	(4)
Bought USD 496 Sold ZAR 7 198 @ 0.0689	23-Jan-2019	(3)
Bought USD 926 Sold ZAR 13 433 @ 0.0689	23-Jan-2019	(6)
Bought USD 925 Sold INR 67 007 @ 0.0138	23-Jan-2019	(36)
Bought USD 957 Sold INR 67 571 @ 0.0142	23-Jan-2019	(12)
Bought USD 957 Sold INR 67 700 @ 0.0141	23-Jan-2019	(13)
Bought USD 501 Sold EUR 440 @ 1.1396	23-Jan-2019	(4)
Bought USD 4 575 Sold EUR 4 000 @ 1.1437	23-Jan-2019	(17)
Bought ZAR 32 691 Sold USD 2 276 @ 14.3601	23-Jan-2019	(11)
		\$ (774)
TOTAL FOREIGN EXCHANGE		\$ (154)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 657 017	\$ 657 111
Cash	38 031	51 801
Subscriptions receivable	1 144	1 320
Unrealized gain on foreign exchange contracts	620	287
Receivable on open swap contracts	1 385	–
Dividends receivable, interest accrued and other assets	10 036	8 350
TOTAL ASSETS	708 233	718 869
LIABILITIES		
Redemptions payable	33	74
Futures contracts margin payable	1 260	–
Unrealized loss on foreign exchange contracts	774	1 389
Accounts payable and accrued expenses	147	156
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 214	1 619
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 706 019	\$ 717 250
Investments at cost	\$ 686 264	\$ 648 254
NAV		
SERIES A	\$ 2 669	\$ 4 877
ADVISOR SERIES	\$ 731	\$ 1 034
SERIES D	\$ 1 740	\$ 2 260
SERIES F	\$ 9 489	\$ 11 653
SERIES O	\$ 691 390	\$ 697 426
NAV PER UNIT		
SERIES A	\$ 7.54	\$ 8.32
ADVISOR SERIES	\$ 7.54	\$ 8.31
SERIES D	\$ 7.56	\$ 8.34
SERIES F	\$ 7.57	\$ 8.35
SERIES O	\$ 7.58	\$ 8.36

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 38 573	\$ 38 381
Derivative income	5 015	(245)
Net realized gain (loss) on investments	(34 337)	23 758
Change in unrealized gain (loss) on investments	(35 771)	9 591
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(26 520)	71 485
Net gain (loss) on foreign cash balances	(1 918)	(167)
TOTAL OTHER INCOME (LOSS)	(1 918)	(167)
TOTAL INCOME (LOSS)	(28 438)	71 318
EXPENSES (see notes – Fund Specific Information)		
Management fees	169	163
Administration fees	1 446	1 268
Independent Review Committee costs	2	2
GST/HST	189	169
Transaction costs	3	–
TOTAL EXPENSES	1 809	1 602
INCREASE (DECREASE) IN NAV	\$ (30 247)	\$ 69 716
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (231)	\$ 323
ADVISOR SERIES	\$ (55)	\$ 93
SERIES D	\$ (105)	\$ 195
SERIES F	\$ (576)	\$ 664
SERIES O	\$ (29 280)	\$ 68 441
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.50)	\$ 0.74
ADVISOR SERIES	\$ (0.48)	\$ 0.79
SERIES D	\$ (0.42)	\$ 0.84
SERIES F	\$ (0.41)	\$ 0.77
SERIES O	\$ (0.33)	\$ 0.93



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (30 247)	\$ 69 716
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	(5)	162
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	34 341	(23 758)
Change in unrealized loss (gain) on investments	35 771	(9 591)
(Increase) decrease in accrued receivables	(1 686)	(1 191)
Increase (decrease) in accrued payables	(9)	31
(Increase) decrease in margin accounts	1 260	—
Cost of investments purchased	(1 469 151)	(1 490 856)
Proceeds from sale and maturity of investments	1 396 805	1 397 168
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(32 921)	(58 319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	110 919	113 083
Cash paid on redemption of redeemable units	(90 436)	(55 541)
Distributions paid to holders of redeemable units	(1 332)	(1 528)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 19 151	\$ 56 014
Net increase (decrease) in cash for the period	(13 770)	(2 305)
Cash (bank overdraft), beginning of period	51 801	54 106
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 38 031	\$ 51 801
 Interest received (paid)	 \$ 36 882	 \$ 37 352
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 877	\$ 2 729	\$ 1 034	\$ 1 096	\$ 2 260	\$ 1 824	\$ 11 653	\$ 5 611
INCREASE (DECREASE) IN NAV	(231)	323	(55)	93	(105)	195	(576)	664
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	851	2 606	5	168	709	579	6 720	7 604
Reinvestments of distributions to holders of redeemable units	105	168	25	44	91	138	289	235
Redemption of redeemable units	(2 798)	(702)	(244)	(309)	(1 124)	(338)	(8 057)	(1 868)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 842)	2 072	(214)	(97)	(324)	379	(1 048)	5 971
Distributions from net income	(135)	(148)	(34)	(37)	(91)	(93)	(540)	(362)
Distributions from net gains	—	(99)	—	(21)	—	(45)	—	(231)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(135)	(247)	(34)	(58)	(91)	(138)	(540)	(593)
NET INCREASE (DECREASE) IN NAV	(2 208)	2 148	(303)	(62)	(520)	436	(2 164)	6 042
NAV AT END OF PERIOD	\$ 2 669	\$ 4 877	\$ 731	\$ 1 034	\$ 1 740	\$ 2 260	\$ 9 489	\$ 11 653

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 697 426	\$ 578 752	\$ 717 250	\$ 590 012
INCREASE (DECREASE) IN NAV	(29 280)	68 441	(30 247)	69 716
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	102 549	103 430	110 834	114 387
Reinvestments of distributions to holders of redeemable units	38 599	48 308	39 109	48 893
Redemption of redeemable units	(78 263)	(52 120)	(90 486)	(55 337)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	62 885	99 618	59 457	107 943
Distributions from net income	(39 641)	(35 507)	(40 441)	(36 147)
Distributions from net gains	—	(13 878)	—	(14 274)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(39 641)	(49 385)	(40 441)	(50 421)
NET INCREASE (DECREASE) IN NAV	(6 036)	118 674	(11 231)	127 238
NAV AT END OF PERIOD	\$ 691 390	\$ 697 426	\$ 706 019	\$ 717 250

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide total returns comprised of interest income and modest capital appreciation.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	3.6	1.8
A	8.9	1.6
BBB	30.9	22.4
BB	24.6	27.8
B	24.5	30.6
CCC	2.0	6.7
D	0.3	0.5
Unrated	5.2	8.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Brazil	11.1	18.1
China	8.6	7.0
United Arab Emirates	5.5	2.8
South Africa	4.7	3.5
Turkey	4.7	6.2
Chile	4.3	1.0
Colombia	3.7	5.1
Mexico	3.6	3.5
Argentina	3.5	6.5
Hong Kong	2.9	0.3
Indonesia	2.5	2.2
Israel	2.3	1.8
India	1.9	4.8
Thailand	1.8	1.1
Ukraine	1.7	2.4
Malaysia	1.6	0.3
Luxembourg	1.3	0.3
Kazakhstan	1.2	1.8
Kuwait	0.7	1.5
Russia	0.3	3.7
Other Countries	25.1	17.6
Cash/Other	7.0	8.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	4.3	2.3
1 – 5 years	42.5	38.6
5 – 10 years	32.5	39.3
> 10 years	20.7	19.8
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.2% (December 31, 2017 – 4.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	460	115	–	575
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	656 442	–	656 442
Short-term investments	–	–	–	–
Derivatives – assets	–	2 005	–	2 005
Derivatives – liabilities	–	(774)	–	(774)
Total financial instruments	460	657 788	–	658 248
% of total portfolio	0.1	99.9	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	81	159	–	240
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	655 574	–	655 574
Short-term investments	–	1 297	–	1 297
Derivatives – assets	–	287	–	287
Derivatives – liabilities	–	(1 389)	–	(1 389)
Total financial instruments	81	655 928	–	656 009
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees
Series A	1.50%	0.20%
Advisor Series	1.50%	0.20%
Series D	0.90%	0.20%
Series F	0.75%	0.20%
Series O	n/a†	0.20%

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

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	35 535
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	586	340
Issued number of units	107	310
Reinvested number of units	13	20
Redeemed number of units	(352)	(84)
Ending number of units	354	586
Advisor Series		
Opening units	124	137
Issued number of units	1	19
Reinvested number of units	3	5
Redeemed number of units	(31)	(37)
Ending number of units	97	124

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	271	226
Issued number of units	87	68
Reinvested number of units	12	17
Redeemed number of units	(140)	(40)
Ending number of units	230	271
Series F		
Opening units	1 396	696
Issued number of units	843	893
Reinvested number of units	37	28
Redeemed number of units	(1 022)	(221)
Ending number of units	1 254	1 396
Series O		
Opening units	83 436	71 705
Issued number of units	12 885	12 174
Reinvested number of units	4 951	5 775
Redeemed number of units	(10 070)	(6 218)
Ending number of units	91 202	83 436

Transaction costs (USD000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	3	100	—	—
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC U.S. Strategic Income Bond Fund	0.3	—
RBC Bond Fund	22.9	23.5
RBC Conservative Bond Pool	0.4	—
RBC Core Bond Pool	1.9	—
RBC Core Plus Bond Pool	1.6	—
RBC Global Bond Fund	19.9	20.4
RBC Global Corporate Bond Fund	23.8	21.4
RBC Global High Yield Bond Fund	11.8	14.2
RBC Strategic Income Bond Fund	9.7	10.3
RBC Total Return Growth Fund	—	—
Total	92.3	89.8



December 31, 2018

**Offsetting financial assets and liabilities (USD000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	2 005	(774)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	2 005	(774)
Related amounts not set-off	(774)	774
Collateral (received) pledged	(1 120)	–
Net amount	111	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	287	(1 389)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	287	(1 389)
Related amounts not set-off	(287)	287
Collateral (received) pledged	–	1 058
Net amount	–	(44)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
BLUEBAY GLOBAL CONVERTIBLE BOND FUND (CANADA)

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
EQUITIES						
Australia						
29 027 764	Paladin Resources Ltd.			\$ 10 192	\$ 5 023	
				10 192	5 023	0.6
France						
505	Carrefour S.A., Call @ 14.00 December 20, 2019			96	154	
627	Carrefour S.A., Call @ 18.00 December 20, 2019			135	51	
1 998	Total S.A., Call @ 52.00 December 18, 2020			1 270	709	
444	Vinci S.A., Call @ 80.00 December 20, 2019			420	193	
				1 921	1 107	0.1
Italy						
802	ENI S.p.A., Call @ 16.00 December 19, 2019			352	161	
				352	161	—
Spain						
11 200	Iberdrola S.A., Call @ 6.50 December 18, 2020			732	1 296	
				732	1 296	0.2
United Kingdom						
307	Glencore Plc., Call @ 3.50 March 15, 2019			187	21	
86 941	TechnipFMC Plc.			3 909	2 388	
				4 096	2 409	0.3
United States						
2 726	Crown Castle International Corp., Preferred Series A, 6.875%			3 582	3 915	
				3 582	3 915	0.5
TOTAL EQUITIES				20 875	13 911	1.7
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
2 522	Paladin Energy Ltd. USD	9.000	25-Jan-2023	\$ 3 119	\$ 3 150	
3 900	Seven Group Holdings Ltd., Convertible AUD	2.200	05-Mar-2025	3 890	3 433	
				7 009	6 583	0.8
Bermuda						
1 967	Golar LNG Ltd., Convertible USD	2.750	15-Feb-2022	2 631	2 480	
				2 631	2 480	0.3
China						
86 000	China Evergrande Group, Convertible HKD	4.250	14-Feb-2023	13 518	13 190	
61 000	China Railway Construction Corp. Ltd., Convertible CNY	1.500	21-Dec-2021	11 606	12 029	
5 140	China Yangtze Power International BVI 1 Ltd., Convertible USD	0.000	09-Nov-2021	6 961	7 530	
17 250	CRRC Corp Ltd., Convertible USD	0.000	05-Feb-2021	23 050	23 607	
11 423	Ctrip.com International Ltd., Convertible USD	1.990	01-Jul-2025	16 120	15 108	
78 000	Harvest International Co., Convertible HKD	0.000	21-Nov-2022	12 846	12 871	
8 573	Huazhu Group Ltd., Convertible USD	0.375	01-Nov-2022	11 600	11 477	
16 000	Kunlun Energy Co. Ltd., Convertible CNY	1.625	25-Jul-2019	3 141	3 991	
14 626	Shanghai Port Group BVI Holding Co. Ltd., Convertible USD	0.000	09-Aug-2021	18 711	19 840	
1 423	Strategic International Group Ltd., Convertible EUR	0.000	21-Jul-2022	2 497	2 437	
3 860	Vipshop Holdings Ltd., Convertible USD	1.500	15-Mar-2019	5 504	5 204	
32 000	Zhongsheng Group Holdings Ltd., Convertible HKD	0.000	23-May-2023	5 241	5 142	
				130 795	132 426	15.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
France						
57	Elis S.A., Convertible EUR	0.000	06-Oct-2023	\$ 3 956	\$ 2 709	
84	Genfit, Convertible EUR	3.500	16-Oct-2022	3 685	3 374	
				7 641	6 083	0.7
Germany						
13 100	Deutsche Wohnen SE, Convertible EUR	0.600	05-Jan-2026	20 358	21 680	
3 000	Fresenius SE & Co. KGaA, Convertible EUR	0.000	24-Sep-2019	5 210	4 924	
1 800	LEG Immobilien AG, Convertible EUR	0.875	01-Sep-2025	2 711	3 007	
10 700	RAG-Stiftung, Convertible EUR	0.000	02-Oct-2024	16 446	16 056	
10 250	Siemens Financieringsmaatschappij N.V., Convertible USD	1.650	16-Aug-2019	14 888	14 592	
1 800	Symrise AG, Convertible EUR	0.238	20-Jun-2024	2 672	2 997	
				62 285	63 256	7.6
Hong Kong						
1 750	Asia View Ltd., Convertible USD	1.500	08-Aug-2019	2 006	2 755	
6 623	Bagan Capital Ltd., Convertible USD	0.000	23-Sep-2021	8 640	8 765	
3 400	China Overseas Finance Investment Cayman V Ltd., Convertible USD	0.000	05-Jan-2023	4 629	4 948	
3 851	PB Issuer No. 4 Ltd., Convertible USD	3.250	03-Jul-2021	4 870	5 166	
				20 145	21 634	2.6
Italy						
4 000	Prysmian S.p.A., Convertible EUR	0.000	17-Jan-2022	6 118	5 714	
5 000	Snam S.p.A., Convertible EUR	0.000	20-Mar-2022	7 456	7 787	
				13 574	13 501	1.6
Japan						
144 000	AEON Financial Service Co. Ltd., Convertible JPY	0.000	13-Sep-2019	1 709	1 794	
620 000	ANA Holdings Inc., Convertible JPY	0.000	19-Sep-2024	7 172	7 825	
200 000	CyberAgent Inc., Convertible JPY	0.000	19-Feb-2025	2 685	2 686	
200 000	Ezaki Glico Co. Ltd., Convertible JPY	0.000	30-Jan-2024	2 397	2 546	
1 000 000	Kansai Paint Co. Ltd., Convertible JPY	0.000	17-Jun-2022	12 087	12 674	
1 020 000	Kyushu Electric Power Co. Inc., Convertible JPY	0.000	31-Mar-2020	12 125	13 153	
370 000	LINE Corp., Convertible JPY	0.000	19-Sep-2025	4 102	4 290	
1 220 000	Mitsubishi Chemical Holdings Corp., Convertible JPY	0.000	29-Mar-2024	14 921	15 475	
4 800	Mitsui OSK Lines Ltd., Convertible USD	0.000	24-Apr-2020	5 619	6 156	
2 650	NHK Spring Co. Ltd., Convertible USD	0.000	20-Sep-2019	3 102	3 585	
220 000	Relo Group Inc., Convertible JPY	0.000	22-Mar-2021	2 843	2 817	
240 000	SBI Holdings Inc. JPY	0.000	13-Sep-2023	3 124	3 039	
569 000	Sony Corp., Convertible JPY	0.000	30-Sep-2022	6 946	8 510	
460 000	Takashimaya Co. Ltd., Convertible JPY	0.000	06-Dec-2028	5 594	5 759	
150 000	Terumo Corp., Convertible JPY	0.000	06-Dec-2021	1 772	3 044	
5 500	The Gunma Bank Ltd., Convertible USD	0.000	11-Oct-2019	6 700	7 256	
5 000	The Shizuoka Bank Ltd., Convertible USD	1.234	25-Jan-2023	6 508	6 588	
450 000	Toray Industries Inc., Convertible JPY	0.000	31-Aug-2021	6 012	6 082	
510 000	Yamada Denki Co. Ltd., Convertible JPY	0.000	28-Jun-2019	5 666	6 534	
5 800	Yamaguchi Financial Group Inc., Convertible USD	0.000	26-Mar-2020	7 635	7 802	
				118 719	127 615	15.4
Luxembourg						
400 000	Deutsche Bank Luxembourg S.A. JPY	0.000	07-Jun-2020	3 399	—	
				3 399	—	—
Netherlands						
4 400	Civitas Properties Finance BV EUR	4.000	24-Nov-2022	6 706	6 710	
9 855	NXP Semiconductors N.V., Convertible USD	1.000	01-Dec-2019	13 451	13 494	
4 600	QIAGEN N.V., Convertible USD	0.875	19-Mar-2021	8 039	7 909	
1 200	QIAGEN N.V., Convertible USD	1.000	13-Nov-2024	1 575	1 631	
3 600	STMicroelectronics N.V., Convertible USD	0.000	03-Jul-2022	5 004	4 958	
				34 775	34 702	4.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Norway						
4 978	Ship Finance International Ltd., Convertible USD	5.750	15-Oct-2021	\$ 6 503	\$ 6 335	
5 200	Telenor East Holding II A.S., Convertible USD	0.250	20-Sep-2019	7 038	6 922	
				13 541	13 257	1.6
Philippines						
7 200	AYC Finance Ltd., Convertible USD	0.500	02-May-2019	11 032	10 086	
				11 032	10 086	1.2
Singapore						
4 750	Suntec Real Estate Investment Trust, Convertible SGD	1.750	30-Nov-2024	4 438	4 568	
				4 438	4 568	0.6
South Africa						
4 700	Ichor Coal NV, Convertible EUR	8.000	07-Jun-2019	7 027	4 080	
2 000	Sibanye Gold Ltd., Convertible USD	1.875	26-Sep-2023	2 390	2 095	
				9 417	6 175	0.7
South Korea						
8 800	LG Chem Ltd., Convertible EUR	0.000	16-Apr-2021	13 571	13 727	
				13 571	13 727	1.7
Spain						
2 900	Cellnex Telecom S.A., Convertible EUR	1.500	16-Jan-2026	4 538	4 635	
				4 538	4 635	0.6
Switzerland						
7 800	Sika AG, Convertible CHF	0.150	05-Jun-2025	10 481	11 040	
				10 481	11 040	1.3
Taiwan						
5 000	United Microelectronics Corp., Convertible USD	0.000	18-May-2020	6 185	6 656	
3 200	Zhen Ding Technology Holding Ltd., Convertible USD	0.000	26-Jun-2019	4 264	4 495	
				10 449	11 151	1.3
Thailand						
2 702	Sea Ltd., Convertible USD	2.250	01-Jul-2023	3 727	3 207	
				3 727	3 207	0.4
United Arab Emirates						
5 900	Aabar Investments PJSC, Convertible EUR	0.500	27-Mar-2020	8 467	8 474	
3 200	DP World Ltd., Convertible USD	1.750	19-Jun-2024	4 110	4 161	
				12 577	12 635	1.5
United Kingdom						
3 400	BP Capital Markets Plc., Convertible GBP	1.000	28-Apr-2023	7 052	7 270	
1 900	Helical Bar Jersey Ltd., Convertible GBP	4.000	17-Jun-2019	3 512	3 333	
1 500	J Sainsbury Plc., Convertible GBP	2.875	Perpetual	2 821	2 698	
400	PHP Finance Jersey Ltd., Convertible GBP	4.250	20-May-2019	764	805	
				14 149	14 106	1.7
United States						
8 708	Akamai Technologies Inc., Convertible	0.125	01-May-2025	11 276	10 933	
7 541	Atlassian Inc., Convertible	0.625	01-May-2023	10 939	13 104	
5 412	BioMarin Pharmaceutical Inc., Convertible	1.500	15-Oct-2020	7 688	8 239	
3 881	DexCom Inc., Convertible	0.750	01-Dec-2023	5 327	5 366	
6 274	DISH Network Corp., Convertible	3.375	15-Aug-2026	8 800	6 938	
2 281	Dycom Industries Inc., Convertible	0.750	15-Sep-2021	3 387	2 907	
2 718	Ensco Jersey Finance Ltd., Convertible	3.000	31-Jan-2024	3 565	2 463	
4 273	Exact Sciences Corp., Convertible	1.000	15-Jan-2025	5 328	6 420	
2 715	Extra Space Storage LP, Convertible	3.125	01-Oct-2035	3 562	4 018	
2 818	FireEye Inc., Convertible	0.875	01-Jun-2024	3 612	3 877	
3 973	GCI Liberty Inc., Convertible	1.750	30-Sep-2046	5 372	5 309	
4 573	Herbalife Nutrition Ltd., Convertible	2.000	15-Aug-2019	5 923	8 625	
3 227	Illumina Inc., Convertible	0.500	15-Jun-2021	5 724	5 805	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
4 750	Jazz Investments I Ltd., Convertible	1.500	15-Aug-2024	\$ 5 993	\$ 5 888	
3 240	JPMorgan Chase Financial Co LLC, Convertible	0.250	01-May-2023	4 169	4 011	
4 704	Liberty Media Corp., Convertible	1.375	15-Oct-2023	7 360	6 893	
2 118	Liberty Media Corp. - Liberty Formula One, Convertible	1.000	30-Jan-2023	3 240	2 985	
2 587	Live Nation Entertainment Inc., Convertible	2.500	15-Mar-2023	3 560	3 605	
5 034	Lumentum Holdings Inc., Convertible	0.250	15-Mar-2024	7 534	6 929	
17 464	Microchip Technology Inc., Convertible	1.625	15-Feb-2027	23 178	23 363	
1 946	Neurocrine Biosciences Inc., Convertible	2.250	15-May-2024	3 457	3 178	
5 684	New Relic Inc., Convertible	0.500	01-May-2023	8 394	7 788	
3 135	Nuance Communications Inc., Convertible	1.000	15-Dec-2035	4 202	3 728	
6 058	Nutanix Inc., Convertible	0.000	15-Jan-2023	8 249	9 077	
3 060	NuVasive Inc., Convertible	2.250	15-Mar-2021	4 566	4 407	
5 903	ON Semiconductor Corp., Convertible	1.000	01-Dec-2020	8 503	8 905	
13 125	Palo Alto Networks Inc., Convertible	0.750	01-Jul-2023	17 255	17 811	
5 499	Pure Storage Inc., Convertible	0.125	15-Apr-2023	7 826	7 010	
4 642	RingCentral Inc., Convertible	0.000	15-Mar-2023	7 011	7 531	
1 267	Sarepta Therapeutics Inc., Convertible	1.500	15-Nov-2024	2 208	2 897	
10 205	Splunk Inc., Convertible	0.500	15-Sep-2023	13 503	13 874	
4 047	Square Inc., Convertible	0.500	15-May-2023	6 031	5 763	
3 310	Starwood Property Trust Inc., Convertible	4.375	01-Apr-2023	4 428	4 485	
11 967	Tesla Inc., Convertible	1.250	03-Jan-2021	14 245	18 393	
2 022	The Priceline Group Inc., Convertible	0.350	15-Jun-2020	3 787	3 725	
3 850	Transocean Inc., Convertible	0.500	30-Jan-2023	5 788	4 993	
3 187	Viavi Solutions Inc., Convertible	1.000	01-Mar-2024	4 243	4 304	
1 290	Wayfair Inc., Convertible	1.125	01-Nov-2024	1 900	1 797	
2 902	Workday Inc., Convertible	0.250	01-Oct-2022	4 103	4 860	
1 700	Wright Medical Group N.V., Convertible	2.250	15-Nov-2021	2 635	3 189	
2 708	Zendesk Inc., Convertible	0.250	15-Mar-2023	4 130	4 201	
				272 001	279 594	33.7
Vietnam						
3 384	No Va Land Investment Group Corp., Convertible USD	5.500	27-Apr-2023	4 258	4 294	
				4 258	4 294	0.5
TOTAL BONDS				785 152	796 755	95.9
Holdings	Security			Cost	Fair Value	% of Net Assets
OTHER INVESTMENTS						
(550)	The S&P 500 Index Future, Written Put @ 2,200.00 February 15, 2019			\$ (2 365)	\$ (972)	
550	The S&P 500 Index Future, Put @ 2,300.00 February 15, 2019			3 921	1 806	
TOTAL OTHER INVESTMENTS				1 556	834	0.1
SHORT-TERM INVESTMENTS*				2 154	2 154	0.3
TOTAL INVESTMENTS				809 737	813 654	98.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	9 474	1.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(34 549)	(4.2)
TOTAL PORTFOLIO				\$ 809 737	788 579	94.9
FUTURES CONTRACTS MARGIN RECEIVABLE					20 560	2.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					21 835	2.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 830 974	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CHF 416 Sold CAD 564 @ 0.7372	23-Jan-2019	\$ 14
Bought CHF 507 Sold CAD 684 @ 0.7408	23-Jan-2019	21
Bought CHF 790 Sold CAD 1 073 @ 0.7362	23-Jan-2019	26
Bought CNY 328 Sold CAD 61 @ 5.3713	23-Jan-2019	4
Bought CNY 16 220 Sold CAD 3 150 @ 5.1495	23-Jan-2019	72
Bought EUR 10 000 Sold CAD 15 046 @ 0.6646	23-Jan-2019	617
Bought EUR 3 500 Sold CAD 5 248 @ 0.6669	23-Jan-2019	234
Bought EUR 2 500 Sold CAD 3 759 @ 0.6651	23-Jan-2019	157
Bought EUR 1 210 Sold CAD 1 833 @ 0.6601	23-Jan-2019	62
Bought EUR 2 500 Sold CAD 3 784 @ 0.6607	23-Jan-2019	132
Bought EUR 1 117 Sold CAD 1 683 @ 0.6636	23-Jan-2019	66
Bought EUR 4 000 Sold CAD 6 109 @ 0.6547	23-Jan-2019	156
Bought EUR 1 240 Sold CAD 1 897 @ 0.6535	23-Jan-2019	45
Bought EUR 3 000 Sold CAD 4 566 @ 0.6571	23-Jan-2019	133
Bought EUR 1 000 Sold CAD 1 521 @ 0.6574	23-Jan-2019	45
Bought EUR 7 000 Sold CAD 10 762 @ 0.6504	23-Jan-2019	201
Bought EUR 2 000 Sold CAD 3 108 @ 0.6434	23-Jan-2019	24
Bought GBP 1 500 Sold CAD 2 579 @ 0.5817	23-Jan-2019	33
Bought GBP 857 Sold CAD 1 456 @ 0.5886	23-Jan-2019	36
Bought GBP 1 500 Sold CAD 2 555 @ 0.5872	23-Jan-2019	57
Bought GBP 1 500 Sold CAD 2 543 @ 0.5899	23-Jan-2019	69
Bought GBP 2 000 Sold CAD 3 440 @ 0.5814	23-Jan-2019	42
Bought HKD 15 600 Sold CAD 2 606 @ 5.9853	23-Jan-2019	114
Bought HKD 2 702 Sold CAD 456 @ 5.9306	23-Jan-2019	16
Bought HKD 12 076 Sold CAD 2 076 @ 5.8166	23-Jan-2019	29
Bought HKD 11 000 Sold CAD 1 886 @ 5.8330	23-Jan-2019	32
Bought HKD 28 800 Sold CAD 4 929 @ 5.8432	23-Jan-2019	93
Bought HKD 21 000 Sold CAD 3 610 @ 5.8173	23-Jan-2019	52
Bought HKD 1 110 Sold CAD 193 @ 5.7559	23-Jan-2019	1
Bought JPY 300 000 Sold CAD 3 503 @ 85.6497	23-Jan-2019	238
Bought JPY 149 000 Sold CAD 1 746 @ 85.3218	23-Jan-2019	112
Bought JPY 200 900 Sold CAD 2 372 @ 84.6961	23-Jan-2019	133
Bought JPY 110 000 Sold CAD 1 284 @ 85.6809	23-Jan-2019	88
Bought JPY 2 500 Sold CAD 29 @ 85.3178	23-Jan-2019	2
Bought JPY 98 800 Sold CAD 1 165 @ 84.7718	23-Jan-2019	66
Bought JPY 720 000 Sold CAD 8 546 @ 84.2497	23-Jan-2019	432
Bought JPY 100 000 Sold CAD 1 181 @ 84.6789	23-Jan-2019	66
Bought JPY 140 000 Sold CAD 1 654 @ 84.6228	23-Jan-2019	91
Bought JPY 850 000 Sold CAD 10 206 @ 83.2804	23-Jan-2019	392
Bought JPY 152 000 Sold CAD 1 837 @ 82.7455	23-Jan-2019	58
Bought JPY 88 200 Sold CAD 1 080 @ 81.6832	23-Jan-2019	20
Bought JPY 202 400 Sold CAD 2 489 @ 81.3153	23-Jan-2019	35
Bought SEK 1 603 Sold CAD 235 @ 6.8245	23-Jan-2019	12
Bought SGD 11 295 Sold CAD 10 727 @ 1.0530	23-Jan-2019	586
Bought SGD 1 400 Sold CAD 1 342 @ 1.0433	23-Jan-2019	60
Bought SGD 2 500 Sold CAD 2 406 @ 1.0389	23-Jan-2019	98
Bought SGD 4 210 Sold CAD 4 122 @ 1.0214	23-Jan-2019	95
Bought SGD 480 Sold CAD 468 @ 1.0252	23-Jan-2019	13
Bought USD 3 386 Sold CAD 4 429 @ 0.7645	23-Jan-2019	191
Bought USD 3 488 Sold CAD 4 559 @ 0.7651	23-Jan-2019	200
Bought USD 6 133 Sold CAD 7 984 @ 0.7682	23-Jan-2019	384

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 310 Sold CAD 1 716 @ 0.7636	23-Jan-2019	\$ 72
Bought USD 2 200 Sold CAD 2 883 @ 0.7632	23-Jan-2019	119
Bought USD 5 077 Sold CAD 6 698 @ 0.7580	23-Jan-2019	229
Bought USD 4 000 Sold CAD 5 285 @ 0.7569	23-Jan-2019	173
Bought USD 7 280 Sold CAD 9 634 @ 0.7556	23-Jan-2019	298
Bought USD 2 910 Sold CAD 3 848 @ 0.7563	23-Jan-2019	122
Bought USD 1 580 Sold CAD 2 095 @ 0.7540	23-Jan-2019	60
Bought USD 3 000 Sold CAD 3 959 @ 0.7577	23-Jan-2019	134
Bought USD 3 000 Sold CAD 3 980 @ 0.7537	23-Jan-2019	113
Bought USD 3 760 Sold CAD 4 985 @ 0.7543	23-Jan-2019	145
Bought USD 15 000 Sold CAD 20 134 @ 0.7450	23-Jan-2019	332
Bought USD 1 800 Sold CAD 2 386 @ 0.7544	23-Jan-2019	70
Bought USD 3 840 Sold CAD 5 105 @ 0.7522	23-Jan-2019	134
Bought USD 20 000 Sold CAD 26 714 @ 0.7487	23-Jan-2019	573
Bought USD 3 000 Sold CAD 4 007 @ 0.7488	23-Jan-2019	87
Bought USD 3 050 Sold CAD 4 082 @ 0.7473	23-Jan-2019	80
Bought USD 3 360 Sold CAD 4 518 @ 0.7437	23-Jan-2019	66
Bought USD 30 000 Sold CAD 40 325 @ 0.7439	23-Jan-2019	606
Bought USD 3 250 Sold CAD 4 393 @ 0.7398	23-Jan-2019	41
Bought USD 2 840 Sold CAD 3 853 @ 0.7371	23-Jan-2019	22
Bought USD 7 000 Sold CAD 9 519 @ 0.7354	23-Jan-2019	32
Bought USD 1 820 Sold CAD 2 472 @ 0.7362	23-Jan-2019	11

\$ 9 474

Contracts	Maturity Date	Unrealized Loss
Bought AUD 460 Sold CAD 445 @ 1.0345	23-Jan-2019	\$ (2)
Bought CAD 18 458 Sold CNY 98 824 @ 0.1868	23-Jan-2019	(1 172)
Bought CAD 5 969 Sold USD 4 589 @ 1.3007	23-Jan-2019	(292)
Bought CAD 16 910 Sold USD 13 000 @ 1.3008	23-Jan-2019	(827)
Bought CAD 45 164 Sold HKD 271 800 @ 0.1662	23-Jan-2019	(2 226)
Bought CAD 23 270 Sold SGD 24 599 @ 0.9460	23-Jan-2019	(1 366)
Bought CAD 235 Sold SEK 1 603 @ 0.1465	23-Jan-2019	(12)
Bought CAD 9 009 Sold AUD 9 680 @ 0.9306	23-Jan-2019	(298)
Bought CAD 12 889 Sold CHF 9 743 @ 1.3229	23-Jan-2019	(663)
Bought CAD 170 044 Sold EUR 112 525 @ 1.5112	23-Jan-2019	(6 197)
Bought CAD 28 535 Sold GBP 16 626 @ 1.7163	23-Jan-2019	(411)
Bought CAD 6 508 Sold USD 5 000 @ 1.3015	23-Jan-2019	(314)
Bought CAD 3 530 Sold USD 2 691 @ 1.3118	23-Jan-2019	(141)
Bought CAD 3 984 Sold USD 3 040 @ 1.3106	23-Jan-2019	(164)
Bought CAD 3 266 Sold USD 2 500 @ 1.3066	23-Jan-2019	(145)
Bought CAD 5 226 Sold USD 4 000 @ 1.3065	23-Jan-2019	(232)
Bought CAD 5 214 Sold USD 4 000 @ 1.3034	23-Jan-2019	(244)
Bought CAD 7 369 Sold USD 5 650 @ 1.3042	23-Jan-2019	(340)
Bought CAD 1 959 Sold USD 1 500 @ 1.3058	23-Jan-2019	(88)
Bought CAD 8 323 Sold USD 6 360 @ 1.3086	23-Jan-2019	(355)
Bought CAD 2 157 Sold JPY 184 860 @ 0.0117	23-Jan-2019	(148)
Bought CAD 2 873 Sold USD 2 177 @ 1.3196	23-Jan-2019	(97)
Bought CAD 4 156 Sold USD 3 134 @ 1.3262	23-Jan-2019	(120)
Bought CAD 3 902 Sold USD 2 939 @ 1.3276	23-Jan-2019	(108)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 8 553 Sold USD 6 485 @ 1.3189	23-Jan-2019	\$ (295)
Bought CAD 590 Sold JPY 50 000 @ 0.0118	23-Jan-2019	(33)
Bought CAD 4 889 Sold USD 3 660 @ 1.3358	23-Jan-2019	(105)
Bought CAD 6 685 Sold USD 5 000 @ 1.3371	23-Jan-2019	(137)
Bought CAD 8 018 Sold USD 5 900 @ 1.3590	23-Jan-2019	(32)
Bought CAD 589 114 Sold USD 440 850 @ 1.3363	28-Mar-2019	(11 552)
Bought CAD 126 403 Sold JPY 10 610 561 @ 0.0119	28-Mar-2019	(6 433)
		<u>\$ (34 549)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (25 075)</u>

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on March 7, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 813 654	\$ 991 978
Cash	18 990	92 354
Due from investment dealers	398	—
Subscriptions receivable	1 423	980
Futures contracts margin receivable	20 560	—
Unrealized gain on foreign exchange contracts	9 474	20 582
Dividends receivable, interest accrued and other assets	2 160	2 550
TOTAL ASSETS	866 659	1 108 444
LIABILITIES		
Redemptions payable	669	844
Futures contracts margin payable	—	19 365
Unrealized loss on foreign exchange contracts	34 549	1 082
Distributions payable	19	27
Accounts payable and accrued expenses	448	622
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	35 685	21 940
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 830 974	\$ 1 086 504
Investments at cost	\$ 809 737	\$ 964 085
NAV		
SERIES A	\$ 28 622	\$ 42 758
ADVISOR SERIES	\$ 51 759	\$ 81 492
ADVISOR T5 SERIES	\$ 1 669	\$ 2 215
SERIES T5	\$ 224	\$ 276
SERIES H	\$ 873	\$ 2 977
SERIES D	\$ 4 475	\$ 5 659
SERIES F	\$ 123 798	\$ 203 368
SERIES FT5	\$ 3 310	\$ 5 543
SERIES I	\$ 15 866	\$ 36 027
SERIES O	\$ 600 378	\$ 706 189
NAV PER UNIT		
SERIES A	\$ 10.42	\$ 11.81
ADVISOR SERIES	\$ 10.40	\$ 11.80
ADVISOR T5 SERIES	\$ 9.37	\$ 10.32
SERIES T5	\$ 9.35	\$ 10.32
SERIES H	\$ 10.55	\$ 11.93
SERIES D	\$ 10.75	\$ 12.10
SERIES F	\$ 10.83	\$ 12.18
SERIES FT5	\$ 9.86	\$ 10.72
SERIES I	\$ 10.93	\$ 12.28
SERIES O	\$ 11.23	\$ 12.53

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 884	\$ 708
Interest for distribution purposes	7 811	10 406
Derivative income	(27 336)	6 967
Net realized gain (loss) on investments	70 419	29 716
Change in unrealized gain (loss) on investments	(68 551)	1 304
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(16 773)	49 101
Net gain (loss) on foreign cash balances	(1 100)	9 045
TOTAL OTHER INCOME (LOSS)	(1 100)	9 045
TOTAL INCOME (LOSS)	(17 873)	58 146
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 795	5 284
Administration fees	2 127	2 252
Independent Review Committee costs	2	3
GST/HST	612	782
Transaction costs	165	44
Withholding tax	260	192
TOTAL EXPENSES	6 961	8 557
INCREASE (DECREASE) IN NAV	\$ (24 834)	\$ 49 589
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 205)	\$ 1 781
ADVISOR SERIES	\$ (2 116)	\$ 3 642
ADVISOR T5 SERIES	\$ (64)	\$ 80
SERIES T5	\$ (10)	\$ 18
SERIES H	\$ (33)	\$ 406
SERIES D	\$ (144)	\$ 191
SERIES F	\$ (5 192)	\$ 10 609
SERIES FT5	\$ (130)	\$ 247
SERIES I	\$ (943)	\$ 2 515
SERIES O	\$ (14 997)	\$ 30 100
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.39)	\$ 0.44
ADVISOR SERIES	\$ (0.37)	\$ 0.45
ADVISOR T5 SERIES	\$ (0.34)	\$ 0.36
SERIES T5	\$ (0.37)	\$ 0.47
SERIES H	\$ (0.21)	\$ 0.58
SERIES D	\$ (0.36)	\$ 0.48
SERIES F	\$ (0.33)	\$ 0.54
SERIES FT5	\$ (0.26)	\$ 0.43
SERIES I	\$ (0.37)	\$ 0.60
SERIES O	\$ (0.26)	\$ 0.58

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (24 834)	\$ 49 589
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	1 827	1 211
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(70 246)	(29 689)
Change in unrealized loss (gain) on investments	68 551	(1 304)
(Increase) decrease in accrued receivables	390	1 055
Increase (decrease) in accrued payables	(174)	(132)
(Increase) decrease in margin accounts	(39 925)	15 606
Cost of investments purchased	(1 017 185)	(969 405)
Proceeds from sale and maturity of investments	1 239 554	1 065 350
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	157 958	132 281
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	191 292	317 976
Cash paid on redemption of redeemable units	(399 976)	(361 129)
Distributions paid to holders of redeemable units	(22 638)	(10 234)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (231 322)	\$ (53 387)
Net increase (decrease) in cash for the period	(73 364)	78 894
Cash (bank overdraft), beginning of period	92 354	13 460
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 18 990	\$ 92 354
Interest received (paid)	\$ 10 028	\$ 12 672
Dividends received, net of withholding taxes	\$ 624	\$ 516

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 42 758	\$ 54 395	\$ 81 492	\$ 112 654	\$ 2 215	\$ 2 421	\$ 276	\$ 491
INCREASE (DECREASE) IN NAV	(1 205)	1 781	(2 116)	3 642	(64)	80	(10)	18
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	1 875	4 653	1 801	3 793	134	137	59	36
Reinvestments of distributions to holders of redeemable units	2 110	962	3 739	1 828	26	26	2	6
Redemption of redeemable units	(14 540)	(17 949)	(28 867)	(38 344)	(533)	(332)	(87)	(255)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(10 555)	(12 334)	(23 327)	(32 723)	(373)	(169)	(26)	(213)
Distributions from net income	—	—	—	—	(8)	—	(1)	—
Distributions from net gains	(2 376)	(1 084)	(4 290)	(2 081)	(101)	(55)	(15)	(7)
Distributions from capital	—	—	—	—	—	(62)	—	(13)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 376)	(1 084)	(4 290)	(2 081)	(109)	(117)	(16)	(20)
NET INCREASE (DECREASE) IN NAV	(14 136)	(11 637)	(29 733)	(31 162)	(546)	(206)	(52)	(215)
NAV AT END OF PERIOD	\$ 28 622	\$ 42 758	\$ 51 759	\$ 81 492	\$ 1 669	\$ 2 215	\$ 224	\$ 276

For the periods ended December 31 (see note 2 in the generic notes)	Series H		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 977	\$ 10 849	\$ 5 659	\$ 4 802	\$ 203 368	\$ 258 593	\$ 5 543	\$ 6 263
INCREASE (DECREASE) IN NAV	(33)	406	(144)	191	(5 192)	10 609	(130)	247
Early redemption fees	—	—	—	—	1	1	—	—
Proceeds from redeemable units issued	24	310	1 126	1 550	35 599	58 848	911	2 990
Reinvestments of distributions to holders of redeemable units	66	73	351	136	7 464	3 200	51	51
Redemption of redeemable units	(2 084)	(8 584)	(2 151)	(879)	(105 977)	(122 728)	(2 805)	(3 704)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 994)	(8 201)	(674)	807	(62 913)	(60 679)	(1 843)	(663)
Distributions from net income	—	—	—	—	—	(51)	—	—
Distributions from net gains	(77)	(77)	(366)	(141)	(11 465)	(5 104)	(245)	(136)
Distributions from capital	—	—	—	—	—	—	(15)	(168)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(77)	(77)	(366)	(141)	(11 465)	(5 155)	(260)	(304)
NET INCREASE (DECREASE) IN NAV	(2 104)	(7 872)	(1 184)	857	(79 570)	(55 225)	(2 233)	(720)
NAV AT END OF PERIOD	\$ 873	\$ 2 977	\$ 4 475	\$ 5 659	\$ 123 798	\$ 203 368	\$ 3 310	\$ 5 543

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 36 027	\$ 57 679	\$ 706 189	\$ 580 047	\$ 1 086 504	\$ 1 088 194
INCREASE (DECREASE) IN NAV	(943)	2 515	(14 997)	30 100	(24 834)	49 589
Early redemption fees	—	—	—	—	1	1
Proceeds from redeemable units issued	3 377	5 726	153 661	249 882	198 567	327 925
Reinvestments of distributions to holders of redeemable units	1 807	747	35 422	12 637	51 038	19 666
Redemption of redeemable units	(22 324)	(29 712)	(227 266)	(146 489)	(406 634)	(368 976)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(17 140)	(23 239)	(38 183)	116 030	(157 028)	(21 384)
Distributions from net income	(3)	(37)	(1 114)	(2 469)	(1 126)	(2 557)
Distributions from net gains	(2 075)	(891)	(51 517)	(17 519)	(72 527)	(27 095)
Distributions from capital	—	—	—	—	(15)	(243)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 078)	(928)	(52 631)	(19 988)	(73 668)	(29 895)
NET INCREASE (DECREASE) IN NAV	(20 161)	(21 652)	(105 811)	126 142	(255 530)	(1 690)
NAV AT END OF PERIOD	\$ 15 866	\$ 36 027	\$ 600 378	\$ 706 189	\$ 830 974	\$ 1 086 504

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series H and Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series H and Series I units of the Fund can continue to make additional investments into these series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
A	11.7	7.3
BBB	4.1	8.3
BB	4.2	6.6
B	8.1	9.7
CCC	0.9	–
Unrated	71.0	68.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	34.2	29.5
China	15.9	10.8
Japan	15.4	16.8
Germany	7.6	5.6
Netherlands	4.2	2.1
Hong Kong	2.6	2.3
United Kingdom	2.0	5.0
Norway	1.6	2.7
Taiwan	1.3	3.2
France	0.8	1.9
South Africa	0.7	0.7
Singapore	0.5	1.8
Malaysia	–	1.9
Other Countries	10.7	6.2
Cash/Other	2.5	9.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	12.9	8.6
1 – 5 years	63.7	59.5
5 – 10 years	22.6	28.3
> 10 years	0.8	3.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.0% (December 31, 2017 – 3.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	4 749	9 996	–	14 745
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	796 755	–	796 755
Short-term investments	–	2 154	–	2 154
Derivatives – assets	–	9 474	–	9 474
Derivatives – liabilities	–	(34 549)	–	(34 549)
Total financial instruments	4 749	783 830	–	788 579
% of total portfolio	0.6	99.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	7 201	17 778	–	24 979
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	962 020	–	962 020
Short-term investments	–	4 979	–	4 979
Derivatives – assets	–	20 582	–	20 582
Derivatives – liabilities	–	(1 082)	–	(1 082)
Total financial instruments	7 201	1 004 277	–	1 011 478
% of total portfolio	0.7	99.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.65%	0.20%
Advisor Series	1.65%	0.20%
Advisor T5 Series	1.65%	0.20%
Series T5	1.65%	0.20%
Series H	1.45%	0.20%
Series D	1.05%	0.20%
Series F	0.90%	0.20%
Series FT5	0.90%	0.20%
Series I	0.70%	0.20%
Series O	n/a*	0.20%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor T5 Series	111	105
Series T5	111	105
Series H	115	106
Series FT5	110	104
Value of all units	4	5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	3 621	4 637
Issued number of units	158	385
Reinvested number of units	202	81
Redeemed number of units	(1 233)	(1 482)
Ending number of units	2 748	3 621

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	6 907	9 610
Issued number of units	152	311
Reinvested number of units	359	155
Redeemed number of units	(2 443)	(3 169)
Ending number of units	4 975	6 907
Advisor T5 Series		
Opening units	215	231
Issued number of units	12	13
Reinvested number of units	3	2
Redeemed number of units	(52)	(31)
Ending number of units	178	215
Series T5		
Opening units	27	47
Issued number of units	6	3
Reinvested number of units	–	1
Redeemed number of units	(9)	(24)
Ending number of units	24	27
Series H		
Opening units	249	917
Issued number of units	3	25
Reinvested number of units	6	6
Redeemed number of units	(175)	(699)
Ending number of units	83	249
Series D		
Opening units	468	402
Issued number of units	91	126
Reinvested number of units	33	11
Redeemed number of units	(176)	(71)
Ending number of units	416	468
Series F		
Opening units	16 701	21 553
Issued number of units	2 891	4 721
Reinvested number of units	688	263
Redeemed number of units	(8 845)	(9 836)
Ending number of units	11 435	16 701
Series FT5		
Opening units	517	579
Issued number of units	87	271
Reinvested number of units	5	5
Redeemed number of units	(273)	(338)
Ending number of units	336	517
Series I		
Opening units	2 934	4 777
Issued number of units	270	458
Reinvested number of units	165	61
Redeemed number of units	(1 918)	(2 362)
Ending number of units	1 451	2 934

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	56 374	47 293
Issued number of units	12 186	19 549
Reinvested number of units	3 144	1 008
Redeemed number of units	(18 230)	(11 476)
Ending number of units	53 474	56 374

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	165	100	44	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
BlueBay Global Convertible Bond Class (Canada)	8.4	9.4
RBC Core Plus Bond Pool	1.6	—
RBC Strategic Income Bond Fund	11.3	8.6
Total	21.3	18.0

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	9 474	(34 549)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	9 474	(34 549)
Related amounts not set-off	(9 474)	9 474
Collateral (received) pledged	—	20 560
Net amount	—	(4 515)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	20 582	(1 082)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	20 582	(1 082)
Related amounts not set-off	(1 082)	1 082
Collateral (received) pledged	(19 365)	—
Net amount	135	—

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
BLUEBAY \$U.S. GLOBAL CONVERTIBLE BOND FUND (CANADA)

December 31, 2018

Holdings	Security		Cost	Fair Value	% of Net Assets	
EQUITIES						
Australia						
1 272 110	Paladin Resources Ltd.		\$ 271	\$ 161		
			271	161	0.6	
France						
26	Carrefour S.A., Call @ 14.00 December 20, 2019		4	6		
2	Carrefour S.A., Call @ 18.00 December 20, 2019		—	—		
83	Total S.A., Call @ 52.00 December 18, 2020		41	22		
23	Vinci S.A., Call @ 80.00 December 20, 2019		17	7		
			62	35	0.1	
Italy						
39	ENI S.p.A., Call @ 16.00 December 19, 2019		13	6		
			13	6	—	
Spain						
600	Iberdrola S.A., Call @ 6.50 December 18, 2020		30	51		
			30	51	0.2	
United Kingdom						
20	Glencore Plc., Call @ 3.50 March 15, 2019		10	1		
3 492	TechnipFMC Plc.		113	70		
			123	71	0.3	
United States						
114	Crown Castle International Corp., Preferred Series A, 6.875%		119	120		
			119	120	0.5	
TOTAL EQUITIES						
			618	444	1.7	
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
200	Paladin Energy Ltd. USD	9.000	25-Jan-2023	\$ 200	\$ 183	
300	Seven Group Holdings Ltd., Convertible AUD	2.200	05-Mar-2025	235	193	
				435	376	1.5
Bermuda						
81	Golar LNG Ltd., Convertible USD	2.750	15-Feb-2022	85	75	
				85	75	0.3
China						
3 000	China Evergrande Group, Convertible HKD	4.250	14-Feb-2023	375	337	
2 000	China Railway Construction Corp. Ltd., Convertible CNY	1.500	21-Dec-2021	285	289	
200	China Yangtze Power International BVI 1 Ltd., Convertible USD	0.000	09-Nov-2021	202	215	
750	CRRC Corp Ltd., Convertible USD	0.000	05-Feb-2021	762	752	
469	Ctrip.com International Ltd., Convertible USD	1.990	01-Jul-2025	533	454	
4 000	Harvest International Co., Convertible HKD	0.000	21-Nov-2022	517	483	
352	Huazhu Group Ltd., Convertible USD	0.375	01-Nov-2022	345	345	
1 000	Kunlun Energy Co. Ltd., Convertible CNY	1.625	25-Jul-2019	160	183	
630	Shanghai Port Group BVI Holding Co. Ltd., Convertible USD	0.000	09-Aug-2021	639	626	
100	Strategic International Group Ltd., Convertible EUR	0.000	21-Jul-2022	135	125	
211	Vipshop Holdings Ltd., Convertible USD	1.500	15-Mar-2019	238	208	
2 000	Zhongsheng Group Holdings Ltd., Convertible HKD	0.000	23-May-2023	255	235	
				4 446	4 252	16.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
France						
2	Elis S.A., Convertible EUR	0.000	06-Oct-2023	\$ 128	\$ 82	
3	Genfit, Convertible EUR	3.500	16-Oct-2022	121	101	
				249	183	0.7
Germany						
600	Deutsche Wohnen SE, Convertible EUR	0.600	05-Jan-2026	720	727	
100	Fresenius SE & Co. KGaA, Convertible EUR	0.000	24-Sep-2019	136	120	
100	LEG Immobilien AG, Convertible EUR	0.875	01-Sep-2025	121	122	
500	RAG-Stiftung, Convertible EUR	0.000	02-Oct-2024	593	550	
500	Siemens Financieringsmaatschappij N.V., Convertible USD	1.650	16-Aug-2019	567	521	
100	Symrise AG, Convertible EUR	0.238	20-Jun-2024	117	122	
				2 254	2 162	8.5
Hong Kong						
250	Asia View Ltd., Convertible USD	1.500	08-Aug-2019	278	288	
227	Bagan Capital Ltd., Convertible USD	0.000	23-Sep-2021	228	220	
200	China Overseas Finance Investment Cayman V Ltd., Convertible USD	0.000	05-Jan-2023	211	213	
200	PB Issuer No. 4 Ltd., Convertible USD	3.250	03-Jul-2021	201	197	
				918	918	3.6
Italy						
200	Prysmian S.p.A., Convertible EUR	0.000	17-Jan-2022	235	209	
200	Snam S.p.A., Convertible EUR	0.000	20-Mar-2022	226	228	
				461	437	1.7
Japan						
6 000	AEON Financial Service Co. Ltd., Convertible JPY	0.000	13-Sep-2019	54	55	
30 000	ANA Holdings Inc., Convertible JPY	0.000	19-Sep-2024	281	277	
10 000	CyberAgent Inc., Convertible JPY	0.000	19-Feb-2025	105	98	
10 000	Ezaki Glico Co. Ltd., Convertible JPY	0.000	30-Jan-2024	93	93	
40 000	Kansai Paint Co. Ltd., Convertible JPY	0.000	17-Jun-2022	375	371	
40 000	Kyushu Electric Power Co. Inc., Convertible JPY	0.000	31-Mar-2020	364	378	
20 000	LINE Corp., Convertible JPY	0.000	19-Sep-2025	172	170	
50 000	Mitsubishi Chemical Holdings Corp., Convertible JPY	0.000	29-Mar-2024	481	465	
300	Mitsui OSK Lines Ltd., Convertible USD	0.000	24-Apr-2020	296	282	
50	NHK Spring Co. Ltd., Convertible USD	0.000	20-Sep-2019	51	50	
10 000	Relo Group Inc., Convertible JPY	0.000	22-Mar-2021	101	94	
10 000	SBI Holdings Inc. JPY	0.000	13-Sep-2023	100	93	
23 000	Sony Corp., Convertible JPY	0.000	30-Sep-2022	221	252	
20 000	Takashimaya Co. Ltd., Convertible JPY	0.000	06-Dec-2028	183	183	
10 000	Terumo Corp., Convertible JPY	0.000	06-Dec-2021	95	149	
300	The Gunma Bank Ltd., Convertible USD	0.000	11-Oct-2019	305	290	
200	The Shizuoka Bank Ltd., Convertible USD	1.234	25-Jan-2023	210	193	
20 000	Tohoku Electric Power Co. Inc., Convertible JPY	0.000	03-Dec-2020	178	181	
20 000	Toray Industries Inc., Convertible JPY	0.000	31-Aug-2021	214	198	
20 000	Yamada Denki Co. Ltd., Convertible JPY	0.000	28-Jun-2019	186	188	
200	Yamaguchi Financial Group Inc., Convertible USD	0.000	26-Mar-2020	214	197	
				4 279	4 257	16.7
Netherlands						
550	NXP Semiconductors N.V., Convertible USD	1.000	01-Dec-2019	619	552	
200	QIAGEN N.V., Convertible USD	0.875	19-Mar-2021	263	252	
200	STMicroelectronics N.V., Convertible USD	0.000	03-Jul-2022	211	202	
70	Wright Medical Group N.V., Convertible USD	2.250	15-Nov-2021	96	96	
				1 189	1 102	4.3
Norway						
416	Ship Finance International Ltd., Convertible USD	5.750	15-Oct-2021	434	388	
200	Telenor East Holding II A.S., Convertible USD	0.250	20-Sep-2019	200	195	
				634	583	2.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Philippines						
350	AYC Finance Ltd., Convertible USD	0.500	02-May-2019	\$ 383	\$ 359	
				383	359	1.4
Singapore						
250	Suntec Real Estate Investment Trust, Convertible SGD	1.750	30-Nov-2024	184	176	
				184	176	0.7
South Africa						
200	Sibanye Gold Ltd., Convertible USD	1.875	26-Sep-2023	180	153	
				180	153	0.6
South Korea						
400	LG Chem Ltd., Convertible EUR	0.000	16-Apr-2021	477	457	
				477	457	1.8
Spain						
100	Cellnex Telecom S.A., Convertible EUR	1.500	16-Jan-2026	120	117	
				120	117	0.5
Switzerland						
320	Sika AG, Convertible CHF	0.150	05-Jun-2025	332	332	
				332	332	1.3
Taiwan						
200	United Microelectronics Corp., Convertible USD	0.000	18-May-2020	198	195	
200	Zhen Ding Technology Holding Ltd., Convertible USD	0.000	26-Jun-2019	201	206	
				399	401	1.6
United Arab Emirates						
200	Aabar Investments PJSC, Convertible EUR	0.500	27-Mar-2020	210	210	
				210	210	0.8
United Kingdom						
100	BP Capital Markets Plc., Convertible GBP	1.000	28-Apr-2023	163	157	
100	J Sainsbury Plc., Convertible GBP	2.875	Perpetual	135	132	
100	PHP Finance Jersey Ltd., Convertible GBP	4.250	20-May-2019	165	147	
				463	436	1.7
United States						
222	BioMarin Pharmaceutical Inc., Convertible	1.500	15-Oct-2020	248	248	
100	Citrix Systems Inc., Convertible	0.500	15-Apr-2019	149	142	
80	DexCom Inc., Convertible	0.750	15-May-2022	112	108	
260	DISH Network Corp., Convertible	3.375	15-Aug-2026	300	211	
94	Dycom Industries Inc., Convertible	0.750	15-Sep-2021	109	88	
109	Ensco Jersey Finance Ltd., Convertible	3.000	31-Jan-2024	110	72	
176	Exact Sciences Corp., Convertible	1.000	15-Jan-2025	168	194	
188	Herbalife Nutrition Ltd., Convertible	2.000	15-Aug-2019	190	260	
132	Illumina Inc., Convertible	0.500	15-Jun-2021	180	174	
250	Jazz Investments I Ltd., Convertible	1.500	15-Aug-2024	241	227	
193	Liberty Media Corp., Convertible	1.375	15-Oct-2023	242	207	
87	Liberty Media Corp. - Liberty Formula One, Convertible	1.000	30-Jan-2023	91	90	
207	Lumentum Holdings Inc., Convertible	0.250	15-Mar-2024	273	209	
706	Microchip Technology Inc., Convertible	1.625	15-Feb-2027	743	692	
92	Neurocrine Biosciences Inc., Convertible	2.250	15-May-2024	128	110	
156	Nuance Communications Inc., Convertible	1.000	15-Dec-2035	145	136	
126	NuVasive Inc., Convertible	2.250	15-Mar-2021	167	133	
242	ON Semiconductor Corp., Convertible	1.000	01-Dec-2020	267	267	
155	Palo Alto Networks Inc., Convertible	0.000	01-Jul-2019	237	263	
30	Square Inc., Convertible	0.375	01-Mar-2022	87	73	
161	Starwood Property Trust Inc., Convertible	4.375	01-Apr-2023	162	160	
483	Tesla Inc., Convertible	1.250	03-Jan-2021	466	544	
83	The Priceline Group Inc., Convertible	0.350	15-Jun-2020	127	112	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
150	Transocean Inc., Convertible	0.500	30-Jan-2023	\$ 170	\$ 142	
131	Viavi Solutions Inc., Convertible	1.000	01-Mar-2024	132	130	
50	Wayfair Inc., Convertible	0.375	01-Sep-2022	58	54	
654	Workday Inc., Convertible	0.250	01-Oct-2022	730	802	
				6 032	5 848	22.9
Vietnam						
200	No Va Land Investment Group Corp., Convertible USD	5.500	27-Apr-2023	200	186	
				200	186	0.7
TOTAL BONDS				23 930	23 020	90.2
Holdings	Security			Cost	Fair Value	% of Net Assets
OTHER INVESTMENTS						
(22)	The S&P 500 Index Future, Written Put @ 2,200.00 February 15, 2019			\$ (69)	\$ (28)	
22	The S&P 500 Index Future, Put @ 2,300.00 February 15, 2019			115	53	
TOTAL OTHER INVESTMENTS				46	25	0.1
TOTAL INVESTMENTS				24 594	23 489	92.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	229	0.9
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(167)	(0.7)
TOTAL PORTFOLIO				\$ 24 594	23 551	92.2
CASH					2 215	8.7
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					(216)	(0.9)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 25 550	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought AUD 61 Sold USD 43 @ 1.4163	23-Jan-2019	\$ —
Bought CHF 200 Sold USD 201 @ 0.9975	23-Jan-2019	3
Bought CHF 40 Sold USD 41 @ 0.9871	23-Jan-2019	—
Bought CHF 108 Sold USD 109 @ 0.9894	23-Jan-2019	1
Bought CNY 1 820 Sold USD 264 @ 6.8981	23-Jan-2019	1
Bought EUR 240 Sold USD 275 @ 0.8724	23-Jan-2019	—
Bought EUR 300 Sold USD 344 @ 0.8731	23-Jan-2019	1
Bought EUR 61 Sold USD 70 @ 0.8732	23-Jan-2019	—
Bought EUR 66 Sold USD 76 @ 0.8718	23-Jan-2019	—
Bought EUR 750 Sold USD 856 @ 0.8766	23-Jan-2019	5
Bought EUR 800 Sold USD 912 @ 0.8776	23-Jan-2019	7
Bought EUR 154 Sold USD 177 @ 0.8711	23-Jan-2019	—
Bought GBP 48 Sold USD 62 @ 0.7782	23-Jan-2019	—
Bought GBP 100 Sold USD 127 @ 0.7881	23-Jan-2019	1
Bought GBP 120 Sold USD 152 @ 0.7878	23-Jan-2019	1
Bought GBP 36 Sold USD 46 @ 0.7887	23-Jan-2019	—
Bought HKD 620 Sold USD 79 @ 7.8269	23-Jan-2019	—
Bought HKD 566 Sold USD 72 @ 7.8164	23-Jan-2019	—
Bought HKD 2 000 Sold USD 256 @ 7.8107	23-Jan-2019	—
Bought JPY 43 000 Sold USD 385 @ 111.6474	23-Jan-2019	8

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 12 126 Sold USD 109 @ 111.1146	23-Jan-2019	\$ 2
Bought JPY 35 000 Sold USD 316 @ 110.7355	23-Jan-2019	4
Bought JPY 3 500 Sold USD 31 @ 112.6445	23-Jan-2019	1
Bought JPY 7 290 Sold USD 65 @ 112.2206	23-Jan-2019	2
Bought JPY 30 000 Sold USD 266 @ 112.8248	23-Jan-2019	8
Bought JPY 150 000 Sold USD 1 340 @ 111.9488	23-Jan-2019	31
Bought JPY 19 900 Sold USD 179 @ 111.2460	23-Jan-2019	3
Bought JPY 7 000 Sold USD 63 @ 111.3729	23-Jan-2019	1
Bought SEK 69 Sold USD 8 @ 8.9570	23-Jan-2019	—
Bought SGD 65 Sold USD 47 @ 1.3740	23-Jan-2019	—
Bought SGD 490 Sold USD 355 @ 1.3786	23-Jan-2019	4
Bought SGD 498 Sold USD 363 @ 1.3727	23-Jan-2019	3
Bought USD 8 Sold SEK 69 @ 0.1126	23-Jan-2019	—
Bought USD 2 364 Sold HKD 18 505 @ 0.1278	23-Jan-2019	—
Bought USD 390 Sold AUD 545 @ 0.7156	23-Jan-2019	6
Bought USD 1 572 Sold GBP 1 191 @ 1.3195	23-Jan-2019	52
Bought USD 7 077 Sold EUR 6 093 @ 1.1616	23-Jan-2019	84
Bought USD 102 Sold HKD 800 @ 0.1278	23-Jan-2019	—
		\$ 229

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought EUR 400 Sold USD 462 @ 0.8651	23-Jan-2019	\$ (3)
Bought EUR 350 Sold USD 406 @ 0.8631	23-Jan-2019	(4)
Bought GBP 200 Sold USD 262 @ 0.7638	23-Jan-2019	(7)
Bought GBP 200 Sold USD 262 @ 0.7624	23-Jan-2019	(7)
Bought GBP 80 Sold USD 103 @ 0.7765	23-Jan-2019	(1)
Bought HKD 4 071 Sold USD 521 @ 7.8087	23-Jan-2019	(1)
Bought HKD 3 850 Sold USD 493 @ 7.8170	23-Jan-2019	(1)
Bought USD 739 Sold CNY 5 131 @ 0.1440	23-Jan-2019	(8)
Bought USD 711 Sold CHF 699 @ 1.0169	23-Jan-2019	(2)
Bought USD 5 961 Sold JPY 665 427 @ 0.0090	23-Jan-2019	(121)
Bought USD 970 Sold SGD 1 334 @ 0.7273	23-Jan-2019	(9)
Bought USD 92 Sold JPY 10 442 @ 0.0088	23-Jan-2019	(3)
		\$ (167)
TOTAL FOREIGN EXCHANGE		<u>\$ 62</u>

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 23 489	\$ 51 321
Cash	2 215	4 455
Subscriptions receivable	10	125
Futures contracts margin receivable	—	43
Unrealized gain on foreign exchange contracts	229	3
Dividends receivable, interest accrued and other assets	65	135
TOTAL ASSETS	26 008	56 082
LIABILITIES		
Redemptions payable	9	—
Futures contracts margin payable	270	—
Unrealized loss on foreign exchange contracts	167	264
Accounts payable and accrued expenses	12	16
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	458	280
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 25 550	\$ 55 802
Investments at cost	\$ 24 594	\$ 48 742
NAV		
SERIES A	\$ 1 085	\$ 915
ADVISOR SERIES	\$ 45	\$ 71
ADVISOR T5 SERIES	\$ 1	\$ 1
SERIES T5	\$ 1	\$ 1
SERIES D	\$ 29	\$ 5
SERIES F	\$ 2 905	\$ 4 216
SERIES FT5	\$ 55	\$ 60
SERIES O	\$ 21 429	\$ 50 533
NAV PER UNIT		
SERIES A	\$ 8.48	\$ 10.03
ADVISOR SERIES	\$ 8.47	\$ 10.02
ADVISOR T5 SERIES	\$ 7.63	\$ 8.81
SERIES T5	\$ 8.05	\$ 8.81
SERIES D	\$ 8.68	\$ 10.19
SERIES F	\$ 8.74	\$ 10.23
SERIES FT5	\$ 7.82	\$ 9.01
SERIES O	\$ 8.96	\$ 10.45

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 48	\$ 29
Interest for distribution purposes	101	290
Derivative income	570	(484)
Net realized gain (loss) on investments	2 553	95
Change in unrealized gain (loss) on investments	(3 361)	2 027
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(89)	1 957
Net gain (loss) on foreign cash balances	16	23
TOTAL OTHER INCOME (LOSS)	16	23
TOTAL INCOME (LOSS)	(73)	1 980
EXPENSES (see notes – Fund Specific Information)		
Management fees	59	52
Administration fees	99	90
Independent Review Committee costs	2	2
GST/HST	15	12
Transaction costs	7	2
Withholding tax	13	6
TOTAL EXPENSES	195	164
INCREASE (DECREASE) IN NAV	\$ (268)	\$ 1 816
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (47)	\$ 14
ADVISOR SERIES	\$ (1)	\$ 5
ADVISOR T5 SERIES	\$ —	\$ —
SERIES T5	\$ —	\$ —
SERIES D	\$ (1)	\$ —
SERIES F	\$ (117)	\$ 170
SERIES FT5	\$ (2)	\$ 3
SERIES O	\$ (100)	\$ 1 624
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.42)	\$ 0.20
ADVISOR SERIES	\$ (0.27)	\$ 0.44
ADVISOR T5 SERIES	\$ (0.33)	\$ 0.29
SERIES T5	\$ (0.06)	\$ 0.29
SERIES D	\$ (0.74)	\$ 0.38
SERIES F	\$ (0.28)	\$ 0.41
SERIES FT5	\$ (0.24)	\$ 0.36
SERIES O	\$ (0.02)	\$ 0.42

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (268)	\$ 1 816
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	326	84
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(2 545)	(94)
Change in unrealized loss (gain) on investments	3 361	(2 027)
(Increase) decrease in accrued receivables	70	(63)
Increase (decrease) in accrued payables	(4)	7
(Increase) decrease in margin accounts	313	(373)
Cost of investments purchased	(41 903)	(45 455)
Proceeds from sale and maturity of investments	68 270	24 465
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	27 620	(21 640)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	14 047	30 102
Cash paid on redemption of redeemable units	(41 741)	(5 471)
Distributions paid to holders of redeemable units	(2 166)	(105)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (29 860)	\$ 24 526
Net increase (decrease) in cash for the period	(2 240)	2 886
Cash (bank overdraft), beginning of period	4 455	1 569
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 215	\$ 4 455
 Interest received (paid)	 \$ 497	 \$ 311
Dividends received, net of withholding taxes	\$ 35	\$ 23

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 915	\$ 479	\$ 71	\$ 149	\$ 1	\$ 1	\$ 1	\$ 1
INCREASE (DECREASE) IN NAV	(47)	14	(1)	5	—	—	—	—
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	445	866	—	3	—	—	6	—
Reinvestments of distributions to holders of redeemable units	128	—	4	—	—	—	—	—
Redemption of redeemable units	(224)	(444)	(23)	(86)	—	—	(6)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	349	422	(19)	(83)	—	—	—	—
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	(132)	—	(6)	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(132)	—	(6)	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	170	436	(26)	(78)	—	—	—	—
NAV AT END OF PERIOD	\$ 1 085	\$ 915	\$ 45	\$ 71	\$ 1	\$ 1	\$ 1	\$ 1

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5	\$ 5	\$ 4 216	\$ 4 473	\$ 60	\$ 51
INCREASE (DECREASE) IN NAV	(1)	—	(117)	170	(2)	3
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	25	—	1 241	1 676	4	9
Reinvestments of distributions to holders of redeemable units	4	—	206	2	3	—
Redemption of redeemable units	—	—	(2 251)	(2 102)	(4)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	29	—	(804)	(424)	3	9
Distributions from net income	—	—	—	(3)	—	—
Distributions from net gains	(4)	—	(390)	—	(6)	—
Distributions from capital	—	—	—	—	—	(3)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4)	—	(390)	(3)	(6)	(3)
NET INCREASE (DECREASE) IN NAV	24	—	(1 311)	(257)	(5)	9
NAV AT END OF PERIOD	\$ 29	\$ 5	\$ 2 905	\$ 4 216	\$ 55	\$ 60

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 50 533	\$ 24 176	\$ 55 802	\$ 29 335
INCREASE (DECREASE) IN NAV	(100)	1 624	(268)	1 816
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	12 315	27 770	14 036	30 324
Reinvestments of distributions to holders of redeemable units	1 020	65	1 365	67
Redemption of redeemable units	(39 346)	(2 936)	(41 854)	(5 568)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(26 011)	24 899	(26 453)	24 823
Distributions from net income	(27)	(166)	(27)	(169)
Distributions from net gains	(2 966)	—	(3 504)	—
Distributions from capital	—	—	—	(3)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 993)	(166)	(3 531)	(172)
NET INCREASE (DECREASE) IN NAV	(29 104)	26 357	(30 252)	26 467
NAV AT END OF PERIOD	\$ 21 429	\$ 50 533	\$ 25 550	\$ 55 802

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
A	12.7	6.0
BBB	4.3	10.8
BB	5.2	6.4
B	8.0	9.5
CCC	0.9	–
Unrated	68.9	67.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
United States	23.4	28.2
Japan	16.7	18.5
China	16.6	10.0
Germany	8.5	6.6
Netherlands	4.3	1.4
Hong Kong	3.6	3.0
Norway	2.3	2.7
United Kingdom	2.0	4.3
Taiwan	1.6	2.5
Philippines	1.4	1.2
France	0.8	1.8
United Arab Emirates	0.8	2.1
Singapore	0.7	2.4
South Africa	0.6	0.7
Malaysia	–	2.4
Mexico	–	0.7
Other Countries	8.6	3.0
Cash/Other	8.1	8.5
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	17.5	8.8
1 – 5 years	59.5	61.0
5 – 10 years	22.3	25.9
> 10 years	0.7	4.3
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 3.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	145	324	–	469
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	23 020	–	23 020
Short-term investments	–	–	–	–
Derivatives – assets	–	229	–	229
Derivatives – liabilities	–	(167)	–	(167)
Total financial instruments	145	23 406	–	23 551
% of total portfolio	0.6	99.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	443	904	–	1 347
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	49 874	–	49 874
Short-term investments	–	100	–	100
Derivatives – assets	–	3	–	3
Derivatives – liabilities	–	(264)	–	(264)
Total financial instruments	443	50 617	–	51 060
% of total portfolio	0.9	99.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.65%	0.20%
Advisor Series	1.65%	0.20%
Advisor T5 Series	1.65%	0.20%
Series T5	1.65%	0.20%
Series D	1.05%	0.20%
Series F	0.90%	0.20%
Series FT5	0.90%	0.20%
Series O	n/a*	0.20%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(USD000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	115	101
Advisor Series	115	101
Advisor T5 Series	128	115
Series T5	121	115
Series D	115	101
Series F	115	101
Series FT5	129	115
Series O	–	1 221 284
Value of all units	7	12 774

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	91	49
Issued number of units	44	86
Reinvested number of units	15	–
Redeemed number of units	(22)	(44)
Ending number of units	128	91
Advisor Series		
Opening units	7	15
Issued number of units	–	1
Reinvested number of units	–	–
Redeemed number of units	(2)	(9)
Ending number of units	5	7
Advisor T5 Series		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–
Series T5		
Opening units	–	–
Issued number of units	1	–
Reinvested number of units	–	–
Redeemed number of units	(1)	–
Ending number of units	–	–
Series D		
Opening units	1	–
Issued number of units	2	1
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	3	1
Series F		
Opening units	412	455
Issued number of units	121	164
Reinvested number of units	23	–
Redeemed number of units	(224)	(207)
Ending number of units	332	412
Series FT5		
Opening units	7	6
Issued number of units	–	1
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	7	7
Series O		
Opening units	4 834	2 426
Issued number of units	1 163	2 683
Reinvested number of units	114	6
Redeemed number of units	(3 718)	(281)
Ending number of units	2 393	4 834



December 31, 2018

Transaction costs (USD000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	7	100	2	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
BlueBay \$U.S. Global Convertible Bond Class (Canada)	1.5	0.9
RBC \$U.S. Strategic Income Bond Fund	11.3	–
Total	12.8	0.9

Offsetting financial assets and liabilities (USD000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	229	(167)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	229	(167)
Related amounts not set-off	(167)	167
Collateral (received) pledged	(62)	–
Net amount	–	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	3	(264)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3	(264)
Related amounts not set-off	(3)	3
Collateral (received) pledged	–	–
Net amount	–	(261)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CONSERVATIVE BOND POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
349 229	BlueBay Emerging Markets Corporate Bond Fund*	\$ 3 516	\$ 3 614	
613 516	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	6 061	6 024	
219 523	Phillips, Hager & North High Yield Bond Fund*	2 430	2 409	
3 218 043	Phillips, Hager & North Short Term Bond & Mortgage Fund*	31 662	31 788	
1 259 573	Phillips, Hager & North Total Return Bond Fund*	13 843	13 948	
715 360	RBC Bond Fund*	4 782	4 812	
2 986 043	RBC Canadian Short-Term Income Fund*	31 129	31 309	
910 333	RBC Emerging Markets Foreign Exchange Fund*	9 157	9 647	
439 546	RBC Global Bond Fund*	4 744	4 818	
759 132	RBC Global Corporate Bond Fund*	7 253	7 230	
478 187	RBC Global High Yield Bond Fund*	4 911	4 819	
TOTAL UNDERLYING FUNDS		119 488	120 418	99.4
SHORT-TERM INVESTMENTS†		925	925	0.8
TOTAL INVESTMENTS		<u>\$ 120 413</u>	121 343	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(240)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 121 103</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 121 343
Subscriptions receivable	747
TOTAL ASSETS	122 090
LIABILITIES	
Bank overdraft	1
Due to investment dealers	934
Redemptions payable	8
Accounts payable and accrued expenses	44
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF	
REDEEMABLE UNITS	987
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 121 103
Investments at cost	\$ 120 413
NAV	
SERIES A	\$ 1 747
SERIES F	\$ 114 279
SERIES O	\$ 5 077
NAV PER UNIT	
SERIES A	\$ 10.07
SERIES F	\$ 10.03
SERIES O	\$ 10.03

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 5
Income from investment trusts	791
Derivative income	11
Net realized gain (loss) on investments	62
Change in unrealized gain (loss) on investments	930
TOTAL NET GAIN (LOSS) ON	
INVESTMENTS AND DERIVATIVES	1 799
Net gain (loss) on foreign cash balances	(4)
TOTAL OTHER INCOME (LOSS)	(4)
TOTAL INCOME (LOSS)	1 795
EXPENSES (see notes – Fund Specific Information)	
Management fees	74
Administration fees	4
Independent Review Committee costs	1
GST/HST	10
TOTAL EXPENSES	89
INCREASE (DECREASE) IN NAV	\$ 1 706
INCREASE (DECREASE) IN NAV	
SERIES A	\$ 12
SERIES F	\$ 1 616
SERIES O	\$ 78
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ 0.11
SERIES F	\$ 0.33
SERIES O	\$ 0.16



Statement of Cash Flow *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in NAV	\$ 1 706
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS	
Interest for distribution purposes	—
Non-cash distributions from underlying funds	(791)
Net realized loss (gain) on investments	(62)
Change in unrealized loss (gain) on investments	(930)
(Increase) decrease in accrued receivables	—
Increase (decrease) in accrued payables	44
(Increase) decrease in margin accounts	—
Cost of investments purchased	(273 193)
Proceeds from sale and maturity of investments	154 567
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(118 659)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of redeemable units	130 702
Cash paid on redemption of redeemable units	(11 730)
Distributions paid to holders of redeemable units	(314)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 118 658
Net increase (decrease) in cash for the period	(1)
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (1)
Interest received (paid)	\$ 5
Dividends received, net of withholding taxes	\$ —

The accompanying notes are an integral part of these financial statements.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Series F 2018	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	12	1 616	78	1 706
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	1 762	124 688	4 999	131 449
Reinvestments of distributions to holders of redeemable units	6	365	65	436
Redemption of redeemable units	(26)	(11 712)	—	(11 738)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 742	113 341	5 064	120 147
Distributions from net income	(7)	(678)	(65)	(750)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7)	(678)	(65)	(750)
NET INCREASE (DECREASE) IN NAV	1 747	114 279	5 077	121 103
NAV AT END OF PERIOD	\$ 1 747	\$ 114 279	\$ 5 077	\$ 121 103



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide regular 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 fixed-income securities.

The Fund was started June 26, 2018 with the issuance of Series F and Series O units. Series A units were started November 29, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AAA	28.5
AA	26.5
A	14.9
BBB	19.4
BB	4.1
B	3.9
CCC	0.2
Unrated*	2.5
Total	100.0

* Mortgages represent 85.6% of the unrated above. 4.4% of the mortgages are Canada Mortgage and Housing Corporation (“CMHC”) guaranteed mortgages, and therefore have the backing of an AAA rated issuer. To manage the credit risk on the remaining 95.6%, which are conventional mortgages, the Fund only purchases mortgages that are no more than 75% of the value of the property and the net income generated by the property must be at least 1.2x the income required to pay the monthly debt service requirements. These statistics are monitored on an ongoing basis both at the individual security level and on an aggregate level. As at December 31, 2018, there were no mortgage payments in arrears for more than 90 days.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Income Funds	99.4
Cash/Other	0.6
Total	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 91.0% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	7.0
1 – 5 years	67.1
5 – 10 years	13.8
> 10 years	12.1
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.8%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
United States dollar	6.0
Mexican peso	1.3
Brazilian real	1.0
Polish zloty	0.9
Thailand baht	0.9
Russian ruble	0.9
Indonesian rupiah	0.8
Chinese renminbi	0.8
South Korean won	0.7
Indian rupee	0.7
Turkish new lira	0.7
South African rand	0.6
Malaysian ringgit	0.6
Singapore dollar	0.6
Colombian peso	0.5
Other currencies	2.9
Total	19.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	120 418	–	–	120 418
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	925	–	925
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	120 418	925	–	121 343
% of total portfolio	99.2	0.8	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
(\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	100
Series F	101
Series O	506 450
Value of all units	5 079

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
BlueBay Emerging Markets Corporate Bond Fund	3.0	0.4
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	5.0	0.3
Phillips, Hager & North High Yield Bond Fund	2.0	0.1
Phillips, Hager & North Short Term Bond & Mortgage Fund	26.2	0.5
Phillips, Hager & North Total Return Bond Fund	11.5	0.2
RBC Bond Fund	4.0	–
RBC Canadian Short-Term Income Fund	25.9	0.6
RBC Emerging Markets Foreign Exchange Fund	8.0	0.9
RBC Global Bond Fund	4.0	0.1
RBC Global Corporate Bond Fund	6.0	0.1
RBC Global High Yield Bond Fund	4.0	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31 (see note 2 in the generic notes)	2018
Series A	
Opening units	–
Issued number of units	175
Reinvested number of units	1
Redeemed number of units	(3)
Ending number of units	173



December 31, 2018

For the period ended December 31
(see note 2 in the generic notes)

2018

Series F

Opening units	–
Issued number of units	12 529
Reinvested number of units	37
Redeemed number of units	(1 177)
Ending number of units	11 389

Series O

Opening units	–
Issued number of units	499
Reinvested number of units	7
Redeemed number of units	–
Ending number of units	506

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CORE BOND POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
1 723 098	BlueBay Emerging Markets Corporate Bond Fund*	\$ 17 372	\$ 17 833	
1 579 627	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	15 641	15 506	
1 130 442	Phillips, Hager & North High Yield Bond Fund*	12 658	12 408	
3 060 050	Phillips, Hager & North Short Term Bond & Mortgage Fund*	30 144	30 227	
3 983 858	Phillips, Hager & North Total Return Bond Fund*	43 833	44 116	
4 603 969	RBC Bond Fund*	30 832	30 968	
4 139 782	RBC Canadian Short-Term Income Fund*	43 187	43 406	
1 826 701	RBC Emerging Markets Foreign Exchange Fund*	18 359	19 359	
2 829 389	RBC Global Bond Fund*	30 582	31 016	
3 257 683	RBC Global Corporate Bond Fund*	31 184	31 026	
1 231 176	RBC Global High Yield Bond Fund*	12 670	12 407	
2 147 648	RBC High Yield Bond Fund*	22 371	21 720	
TOTAL UNDERLYING FUNDS		308 833	309 992	98.3
SHORT-TERM INVESTMENTS†		7 403	7 403	2.4
TOTAL INVESTMENTS		316 236	317 395	100.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	1	—
TOTAL PORTFOLIO		\$ 316 236	317 396	100.7
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(2 099)	(0.7)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 315 297	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 228 Sold CAD 310 @ 0.7344	02-Jan-2019	\$ 1
Bought USD 51 Sold CAD 70 @ 0.7322	03-Jan-2019	—
TOTAL FOREIGN EXCHANGE		\$ 1

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 317 395
Cash	1
Subscriptions receivable	5 424
Unrealized gain on foreign exchange contracts	1
TOTAL ASSETS	322 821
LIABILITIES	
Due to investment dealers	7 327
Redemptions payable	88
Accounts payable and accrued expenses	109
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	7 524
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 315 297
Investments at cost	\$ 316 236
NAV	
SERIES A	\$ 3 523
SERIES F	\$ 306 711
SERIES O	\$ 5 063
NAV PER UNIT	
SERIES A	\$ 10.06
SERIES F	\$ 9.98
SERIES O	\$ 9.97

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 28
Income from investment trusts	2 563
Derivative income	33
Net realized gain (loss) on investments	105
Change in unrealized gain (loss) on investments	1 160
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	3 889
Net gain (loss) on foreign cash balances	(7)
TOTAL OTHER INCOME (LOSS)	(7)
TOTAL INCOME (LOSS)	3 882
EXPENSES (see notes – Fund Specific Information)	
Management fees	204
Administration fees	11
Independent Review Committee costs	1
GST/HST	28
TOTAL EXPENSES	244
INCREASE (DECREASE) IN NAV	\$ 3 638
INCREASE (DECREASE) IN NAV	
SERIES A	\$ 18
SERIES F	\$ 3 556
SERIES O	\$ 64
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ 0.10
SERIES F	\$ 0.26
SERIES O	\$ 0.13



Statement of Cash Flow *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in NAV	\$ 3 638
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS	
Interest for distribution purposes	—
Non-cash distributions from underlying funds	(2 563)
Net realized loss (gain) on investments	(105)
Change in unrealized loss (gain) on investments	(1 160)
(Increase) decrease in accrued receivables	—
Increase (decrease) in accrued payables	109
(Increase) decrease in margin accounts	—
Cost of investments purchased	(692 286)
Proceeds from sale and maturity of investments	386 045
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(306 322)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of redeemable units	316 133
Cash paid on redemption of redeemable units	(8 766)
Distributions paid to holders of redeemable units	(1 044)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 306 323
Net increase (decrease) in cash for the period	1
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1
Interest received (paid)	\$ 28
Dividends received, net of withholding taxes	\$ —

The accompanying notes are an integral part of these financial statements.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Series F 2018	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	18	3 556	64	3 638
Early redemption fees	—	1	—	1
Proceeds from redeemable units issued	3 513	313 045	4 999	321 557
Reinvestments of distributions to holders of redeemable units	14	1 357	80	1 451
Redemption of redeemable units	(4)	(8 851)	—	(8 855)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 523	305 552	5 079	314 154
Distributions from net income	(18)	(2 397)	(80)	(2 495)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(18)	(2 397)	(80)	(2 495)
NET INCREASE (DECREASE) IN NAV	3 523	306 711	5 063	315 297
NAV AT END OF PERIOD	\$ 3 523	\$ 306 711	\$ 5 063	\$ 315 297



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide regular 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 fixed-income securities.

The Fund was started June 26, 2018 with the issuance of Series F and Series O units. Series A units were started November 29, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AAA	21.0
AA	22.9
A	14.9
BBB	21.2
BB	8.9
B	9.1
CCC	0.5
D	0.1
Unrated*	1.4
Total	100.0

* Mortgages represent 59.9% of the unrated above. 6.8% of the mortgages are Canada Mortgage and Housing Corporation (“CMHC”) guaranteed mortgages, and therefore have the backing of an AAA rated issuer. To manage the credit risk on the remaining 93.2%, which are conventional mortgages, the Fund only purchases mortgages that are no more than 75% of the value of the property and the net income generated by the property must be at least 1.2x the income required to pay the monthly debt service requirements. These statistics are monitored on an ongoing basis both at the individual security level and on an aggregate level. As at December 31, 2018, there were no mortgage payments in arrears for more than 90 days.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Income Funds	98.3
Cash/Other	1.7
Total	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 92.8% of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	4.8
1 – 5 years	50.8
5 – 10 years	25.2
> 10 years	19.2
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
United States dollar	6.9
Other currencies	6.7
Total	13.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	309 992	–	–	309 992
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 403	–	7 403
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	–	–	–
Total financial instruments	309 992	7 404	–	317 396
% of total portfolio	97.7	2.3	–	100.0



December 31, 2018

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	101
Series F	101
Series O	507 980
Value of all units	5 065

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
BlueBay Emerging Markets Corporate Bond Fund	5.7	1.9
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	4.9	0.7
Phillips, Hager & North High Yield Bond Fund	3.9	0.3
Phillips, Hager & North Short Term Bond & Mortgage Fund	9.6	0.4

Please see the generic notes at the back of the financial statements.

	December 31 2018	
	NAV	Ownership
Phillips, Hager & North Total Return Bond Fund	14.0	0.5
RBC Bond Fund	9.8	0.2
RBC Canadian Short-Term Income Fund	13.8	0.8
RBC Emerging Markets Foreign Exchange Fund	6.1	1.9
RBC Global Bond Fund	9.8	0.4
RBC Global Corporate Bond Fund	9.8	0.3
RBC Global High Yield Bond Fund	3.9	0.3
RBC High Yield Bond Fund	6.9	1.3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Series A	
Opening units	–
Issued number of units	349
Reinvested number of units	1
Redeemed number of units	–
Ending number of units	350
Series F	
Opening units	–
Issued number of units	31 498
Reinvested number of units	137
Redeemed number of units	(891)
Ending number of units	30 744
Series O	
Opening units	–
Issued number of units	500
Reinvested number of units	8
Redeemed number of units	–
Ending number of units	508



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CORE PLUS BOND POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
1 247 065	BlueBay Emerging Markets Bond Fund (Canada)*	\$ 16 280	\$ 16 809	
1 462 859	BlueBay Emerging Markets Corporate Bond Fund*	14 754	15 139	
1 237 306	BlueBay Emerging Markets Local Currency Bond Fund (Canada)*	16 589	16 838	
1 202 132	BlueBay Global Convertible Bond Fund (Canada)*	14 735	13 496	
6 854 518	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	67 887	67 287	
3 065 708	Phillips, Hager & North High Yield Bond Fund*	34 327	33 648	
9 705 428	Phillips, Hager & North Total Return Bond Fund*	106 695	107 475	
7 991 135	RBC Bond Fund*	53 461	53 751	
5 132 667	RBC Canadian Short-Term Income Fund*	53 595	53 817	
6 832 684	RBC Emerging Markets Foreign Exchange Fund*	68 697	72 411	
7 366 905	RBC Global Bond Fund*	79 580	80 757	
7 068 542	RBC Global Corporate Bond Fund*	67 676	67 322	
2 671 452	RBC Global High Yield Bond Fund*	27 498	26 921	
4 659 559	RBC High Yield Bond Fund*	48 451	47 124	
TOTAL UNDERLYING FUNDS		670 225	672 795	99.1
SHORT-TERM INVESTMENTS†		6 426	6 426	0.9
TOTAL INVESTMENTS		<u>\$ 676 651</u>	679 221	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(215)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 679 006</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 679 221
Cash	1
Subscriptions receivable	7 147
TOTAL ASSETS	686 369
LIABILITIES	
Due to investment dealers	6 091
Redemptions payable	1 037
Accounts payable and accrued expenses	235
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF	
REDEEMABLE UNITS	7 363
NET ASSETS ATTRIBUTABLE TO HOLDERS	
OF REDEEMABLE UNITS ("NAV")	\$ 679 006
Investments at cost	\$ 676 651
NAV	
SERIES A	\$ 11 114
SERIES F	\$ 660 483
SERIES O	\$ 7 409
NAV PER UNIT	
SERIES A	\$ 10.06
SERIES F	\$ 9.99
SERIES O	\$ 9.97

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ 52
Income from investment trusts	6 375
Derivative income	55
Net realized gain (loss) on investments	735
Change in unrealized gain (loss) on investments	2 570
TOTAL NET GAIN (LOSS) ON	
INVESTMENTS AND DERIVATIVES	9 787
Net gain (loss) on foreign cash balances	(2)
TOTAL OTHER INCOME (LOSS)	(2)
TOTAL INCOME (LOSS)	9 785
EXPENSES (see notes – Fund Specific Information)	
Management fees	467
Administration fees	24
Independent Review Committee costs	1
GST/HST	64
TOTAL EXPENSES	556
INCREASE (DECREASE) IN NAV	\$ 9 229
INCREASE (DECREASE) IN NAV	
SERIES A	\$ 47
SERIES F	\$ 9 093
SERIES O	\$ 89
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ 0.12
SERIES F	\$ 0.29
SERIES O	\$ 0.17



Statement of Cash Flow *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in NAV	\$ 9 229
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS	
Interest for distribution purposes	—
Non-cash distributions from underlying funds	(6 375)
Net realized loss (gain) on investments	(735)
Change in unrealized loss (gain) on investments	(2 570)
(Increase) decrease in accrued receivables	—
Increase (decrease) in accrued payables	235
(Increase) decrease in margin accounts	—
Cost of investments purchased	(1 440 654)
Proceeds from sale and maturity of investments	777 204
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(663 666)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of redeemable units	686 617
Cash paid on redemption of redeemable units	(19 931)
Distributions paid to holders of redeemable units	(3 019)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 663 667
Net increase (decrease) in cash for the period	1
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1
Interest received (paid)	\$ 52
Dividends received, net of withholding taxes	\$ —

The accompanying notes are an integral part of these financial statements.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Series F 2018	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	47	9 093	89	9 229
Early redemption fees	—	1	—	1
Proceeds from redeemable units issued	11 249	675 172	7 343	693 764
Reinvestments of distributions to holders of redeemable units	45	3 493	88	3 626
Redemption of redeemable units	(176)	(20 793)	—	(20 969)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	11 118	657 873	7 431	676 422
Distributions from net income	(37)	(5 216)	(96)	(5 349)
Distributions from net gains	(14)	(1 267)	(15)	(1 296)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(51)	(6 483)	(111)	(6 645)
NET INCREASE (DECREASE) IN NAV	11 114	660 483	7 409	679 006
NAV AT END OF PERIOD	\$ 11 114	\$ 660 483	\$ 7 409	\$ 679 006



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide regular 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 fixed-income securities.

The Fund was started June 26, 2018 with the issuance of Series F and Series O units. Series A units were started November 29, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund’s exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund’s direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

The table below summarizes the Fund’s credit risk exposure grouped by credit ratings as at:

	December 31 2018
Rating	
AAA	16.2
AA	19.2
A	14.7
BBB	19.7
BB	12.9
B	14.2
CCC	0.6
D	0.1
Unrated*	2.4
Total	100.0

* Mortgages, which represent 1.3% of the unrated above, are all Canada Mortgage and Housing Corporation (“CMHC”) guaranteed mortgages, and therefore have the backing of an AAA rated issuer. As at December 31, 2018, there were no mortgage payments in arrears for more than 90 days.

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Income Funds	99.1
Cash/Other	0.9
Total	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 88.4% of the NAV of the Fund. The table below summarizes the Fund’s exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018
Term to maturity	
Less than 1 year	5.2
1 – 5 years	42.3
5 – 10 years	29.2
> 10 years	23.3
Total	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 5.2%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
United States dollar	5.2
Other currencies	13.7
Total	18.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 0.9%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	672 795	–	–	672 795
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	6 426	–	6 426
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	672 795	6 426	–	679 221
% of total portfolio	99.1	0.9	–	100.0

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	0.90%	0.05%
Series F	0.40%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	101
Series F	101
Series O	508 728
Value of all units	5 076

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
BlueBay Emerging Markets Bond Fund (Canada)	2.5	52.2
BlueBay Emerging Markets Corporate Bond Fund	2.2	1.6
BlueBay Emerging Markets Local Currency Bond Fund (Canada)	2.5	71.7
BlueBay Global Convertible Bond Fund (Canada)	2.0	1.6

Please see the generic notes at the back of the financial statements.

	December 31 2018	
	NAV	Ownership
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	9.9	3.2
Phillips, Hager & North High Yield Bond Fund	5.0	0.9
Phillips, Hager & North Total Return Bond Fund	15.8	1.3
RBC Bond Fund	7.9	0.3
RBC Canadian Short-Term Income Fund	7.9	1.0
RBC Emerging Markets Foreign Exchange Fund	10.7	7.0
RBC Global Bond Fund	11.9	1.1
RBC Global Corporate Bond Fund	9.9	0.6
RBC Global High Yield Bond Fund	4.0	0.8
RBC High Yield Bond Fund	6.9	2.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes)

	2018
Series A	
Opening units	–
Issued number of units	1 118
Reinvested number of units	5
Redeemed number of units	(18)
Ending number of units	1 105

Series F	
Opening units	–
Issued number of units	67 882
Reinvested number of units	352
Redeemed number of units	(2 090)
Ending number of units	66 144

Series O	
Opening units	–
Issued number of units	734
Reinvested number of units	9
Redeemed number of units	–
Ending number of units	743



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC MANAGED PAYOUT SOLUTION

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
19 998 372	Phillips, Hager & North Canadian Income Fund*	\$ 286 285	\$ 270 716	
5 384 297	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	89 724	86 405	
102 548 842	RBC Bond Fund*	683 042	689 774	
3 737 558	RBC Canadian Dividend Fund*	216 292	250 946	
55 190 825	RBC Canadian Short-Term Income Fund*	602 614	578 680	
68 004 563	RBC Global Corporate Bond Fund*	652 486	647 682	
16 013 624	RBC Global High Yield Bond Fund*	171 597	161 376	
31 320 230	RBC Monthly Income Fund*	422 027	493 175	
6 006 547	RBC QUBE U.S. Equity Fund*	91 436	86 939	
TOTAL UNDERLYING FUNDS		3 215 503	3 265 693	100.0
SHORT-TERM INVESTMENTS†		10 535	10 535	0.3
TOTAL INVESTMENTS		<u>\$ 3 226 038</u>	3 276 228	100.3
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(9 622)	(0.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 3 266 606</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.14% to 2.28% and mature between January 14, 2019 and January 31, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 276 228	\$ 3 829 301
Cash	392	377
Due from investment dealers	4 000	–
Subscriptions receivable	717	1 875
Dividends receivable, interest accrued and other assets	5	48
TOTAL ASSETS	3 281 342	3 831 601
LIABILITIES		
Redemptions payable	2 245	1 675
Distributions payable	8 420	9 253
Accounts payable and accrued expenses	4 071	4 828
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	14 736	15 756
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 266 606	\$ 3 815 845
Investments at cost	\$ 3 226 038	\$ 3 591 706
NAV		
SERIES A	\$ 2 668 612	\$ 3 338 445
ADVISOR SERIES	\$ 28 937	\$ 37 375
SERIES F	\$ 568 375	\$ 440 025
SERIES O	\$ 682	\$ –
NAV PER UNIT		
SERIES A	\$ 8.35	\$ 9.02
ADVISOR SERIES	\$ 8.36	\$ 9.02
SERIES F	\$ 9.18	\$ 9.83
SERIES O	\$ 9.53	\$ –

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 460	\$ 617
Income from investment trusts	121 812	149 526
Net realized gain (loss) on investments	32 848	28 250
Change in unrealized gain (loss) on investments	(187 405)	25 986
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(32 285)	204 379
TOTAL INCOME (LOSS)	(32 285)	204 379
EXPENSES (see notes – Fund Specific Information)		
Management fees	45 551	51 141
Administration fees	1 791	1 917
Independent Review Committee costs	2	3
GST/HST	4 738	5 320
TOTAL EXPENSES	52 082	58 381
INCREASE (DECREASE) IN NAV	\$ (84 367)	\$ 145 998
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (75 116)	\$ 130 923
ADVISOR SERIES	\$ (779)	\$ 1 389
SERIES F	\$ (8 472)	\$ 13 686
SERIES O	\$ –	\$ –
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.22)	\$ 0.34
ADVISOR SERIES	\$ (0.21)	\$ 0.34
SERIES F	\$ (0.15)	\$ 0.44
SERIES O	\$ (0.01)	\$ –

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (84 367)	\$ 145 998
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(121 812)	(149 526)
Net realized loss (gain) on investments	(32 848)	(28 250)
Change in unrealized loss (gain) on investments	187 405	(25 986)
(Increase) decrease in accrued receivables	43	(33)
Increase (decrease) in accrued payables	(757)	(185)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(731 827)	(1 168 378)
Proceeds from sale and maturity of investments	1 248 155	1 363 161
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	463 992	136 801
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	378 661	558 232
Cash paid on redemption of redeemable units	(735 662)	(585 752)
Distributions paid to holders of redeemable units	(106 976)	(109 274)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (463 977)	\$ (136 794)
Net increase (decrease) in cash for the period	15	7
Cash (bank overdraft), beginning of period	377	370
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 392	\$ 377
Interest received (paid)	\$ 503	\$ 584
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 338 445	\$ 3 580 066	\$ 37 375	\$ 36 644	\$ 440 025	\$ 190 117
INCREASE (DECREASE) IN NAV	(75 116)	130 923	(779)	1 389	(8 472)	13 686
Early redemption fees	1	2	—	—	1	—
Proceeds from redeemable units issued	256 592	448 145	2 769	6 414	287 470	302 120
Reinvestments of distributions to holders of redeemable units	67 477	77 076	1 174	1 317	8 807	4 097
Redemption of redeemable units	(765 756)	(723 169)	(9 937)	(6 552)	(130 551)	(54 298)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(441 686)	(197 946)	(5 994)	1 179	165 727	251 919
Distributions from net income	(40 813)	(42 567)	(444)	(448)	(7 709)	(3 827)
Distributions from net gains	(44 302)	(25 718)	(482)	(271)	(8 368)	(2 312)
Distributions from capital	(67 916)	(106 313)	(739)	(1 118)	(12 828)	(9 558)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(153 031)	(174 598)	(1 665)	(1 837)	(28 905)	(15 697)
NET INCREASE (DECREASE) IN NAV	(669 833)	(241 621)	(8 438)	731	128 350	249 908
NAV AT END OF PERIOD	\$ 2 668 612	\$ 3 338 445	\$ 28 937	\$ 37 375	\$ 568 375	\$ 440 025

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ 3 815 845	\$ 3 806 827
INCREASE (DECREASE) IN NAV	—	—	(84 367)	145 998
Early redemption fees	—	—	2	2
Proceeds from redeemable units issued	909	—	547 740	756 679
Reinvestments of distributions to holders of redeemable units	7	—	77 465	82 490
Redemption of redeemable units	(227)	—	(906 471)	(784 019)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	689	—	(281 264)	55 152
Distributions from net income	(2)	—	(48 968)	(46 842)
Distributions from net gains	(2)	—	(53 154)	(28 301)
Distributions from capital	(3)	—	(81 486)	(116 989)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7)	—	(183 608)	(192 132)
NET INCREASE (DECREASE) IN NAV	682	—	(549 239)	9 018
NAV AT END OF PERIOD	\$ 682	\$ —	\$ 3 266 606	\$ 3 815 845

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 RBC Funds.

Series O units were started August 16, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 59.3% (December 31, 2017 – 61.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	12.7	14.0
AA	35.3	32.3
A	18.3	20.0
BBB	22.7	22.7
BB	5.3	5.5
B	5.0	4.7
CCC	0.4	0.4
D	0.1	0.1
Unrated	0.2	0.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	78.7	76.3
Canadian Equity Funds	16.0	15.2
United States Equity Funds	5.3	6.8
Cash/Other	–	1.7
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 78.5% (December 31, 2017 – 76.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	3.2	4.1
1 – 5 years	49.5	45.7
5 – 10 years	24.0	26.1
> 10 years	23.3	24.1
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.7% (December 31, 2017 – 4.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	6.6	9.1
Japanese yen	–	0.6
Other currencies	0.3	0.5
Total	6.9	10.2

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.3% (December 31, 2017 – 0.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.3	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	3 265 693	–	–	3 265 693
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	10 535	–	10 535
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	3 265 693	10 535	–	3 276 228
% of total portfolio	99.7	0.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	3 753 844	–	–	3 753 844
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	75 457	–	75 457
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	3 753 844	75 457	–	3 829 301
% of total portfolio	98.0	2.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 1.55%.

Please see the generic notes at the back of the financial statements.

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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.40%	0.05%
Advisor Series	1.39%	0.05%
Series F	0.60%	0.05%
Series O	n/a†	0.02%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	102	–
Value of all units	1	–

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Income Fund	8.3	33.3	7.9	32.4
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	2.6	1.7	3.4	2.5
RBC Bond Fund	21.1	3.5	20.4	4.2
RBC Canadian Dividend Fund	7.7	1.5	7.3	1.5
RBC Canadian Short-Term Income Fund	17.7	10.3	16.9	11.8
RBC Global Corporate Bond Fund	19.8	6.1	19.0	7.3
RBC Global High Yield Bond Fund	4.9	4.5	4.8	5.0
RBC Monthly Income Fund	15.1	6.8	15.2	7.0
RBC QUBE U.S. Equity Fund	2.7	2.5	3.4	3.6



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	370 180	391 974
Issued number of units	29 270	49 167
Reinvested number of units	7 759	8 492
Redeemed number of units	(87 582)	(79 453)
Ending number of units	319 627	370 180
Advisor Series		
Opening units	4 142	4 011
Issued number of units	318	703
Reinvested number of units	135	145
Redeemed number of units	(1 132)	(717)
Ending number of units	3 463	4 142
Series F		
Opening units	44 775	19 277
Issued number of units	29 906	30 590
Reinvested number of units	927	416
Redeemed number of units	(13 696)	(5 508)
Ending number of units	61 912	44 775
Series O		
Opening units	–	–
Issued number of units	94	–
Reinvested number of units	1	–
Redeemed number of units	(23)	–
Ending number of units	72	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC MANAGED PAYOUT SOLUTION – ENHANCED

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
9 697 645	Phillips, Hager & North Canadian Income Fund*	\$ 138 471	\$ 131 276	
7 777 081	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	130 105	124 803	
87 125 057	RBC Bond Fund*	584 648	586 029	
5 844 140	RBC Canadian Dividend Fund*	340 168	392 385	
4 716 372	RBC Canadian Equity Income Fund*	133 694	131 254	
29 328 318	RBC Canadian Short-Term Income Fund*	318 567	307 510	
24 969 884	RBC Global Corporate Bond Fund*	241 768	237 816	
35 007 605	RBC Global High Yield Bond Fund*	367 442	352 786	
8 851 451	RBC QUBE U.S. Equity Fund*	135 150	128 116	
TOTAL UNDERLYING FUNDS		2 390 013	2 391 975	100.1
SHORT-TERM INVESTMENTS†		4 915	4 915	0.2
TOTAL INVESTMENTS		<u>\$ 2 394 928</u>	<u>2 396 890</u>	100.3
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(7 373)	(0.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 2 389 517</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.14% and mature on January 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 396 890	\$ 2 617 858
Cash	232	232
Due from investment dealers	5 000	–
Subscriptions receivable	516	1 854
Dividends receivable, interest accrued and other assets	6	34
TOTAL ASSETS	2 402 644	2 619 978
LIABILITIES		
Redemptions payable	1 320	1 656
Distributions payable	8 750	8 683
Accounts payable and accrued expenses	3 057	3 465
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	13 127	13 804
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 389 517	\$ 2 606 174
Investments at cost	\$ 2 394 928	\$ 2 455 943
NAV		
SERIES A	\$ 1 608 830	\$ 2 032 913
ADVISOR SERIES	\$ 19 862	\$ 23 801
SERIES F	\$ 759 725	\$ 549 460
SERIES O	\$ 1 100	\$ –
NAV PER UNIT		
SERIES A	\$ 7.77	\$ 8.55
ADVISOR SERIES	\$ 7.76	\$ 8.54
SERIES F	\$ 8.69	\$ 9.46
SERIES O	\$ 9.38	\$ –

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 371	\$ 447
Income from investment trusts	104 280	114 456
Net realized gain (loss) on investments	17 493	15 879
Change in unrealized gain (loss) on investments	(159 953)	33 107
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(37 809)	163 889
TOTAL INCOME (LOSS)	(37 809)	163 889
EXPENSES (see notes – Fund Specific Information)		
Management fees	33 747	36 281
Administration fees	1 274	1 251
Independent Review Committee costs	2	3
GST/HST	3 355	3 586
TOTAL EXPENSES	38 378	41 121
INCREASE (DECREASE) IN NAV	\$ (76 187)	\$ 122 768
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (58 939)	\$ 100 267
ADVISOR SERIES	\$ (670)	\$ 1 119
SERIES F	\$ (16 551)	\$ 21 382
SERIES O	\$ (27)	\$ –
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.27)	\$ 0.41
ADVISOR SERIES	\$ (0.25)	\$ 0.41
SERIES F	\$ (0.21)	\$ 0.55
SERIES O	\$ (0.82)	\$ –



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (76 187)	\$ 122 768
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	–	–
Non-cash distributions from underlying funds	(104 280)	(114 456)
Net realized loss (gain) on investments	(17 493)	(15 879)
Change in unrealized loss (gain) on investments	159 953	(33 107)
(Increase) decrease in accrued receivables	28	(25)
Increase (decrease) in accrued payables	(408)	23
(Increase) decrease in margin accounts	–	–
Cost of investments purchased	(696 806)	(1 270 048)
Proceeds from sale and maturity of investments	874 594	1 204 076
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	139 401	(106 648)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	430 550	567 539
Cash paid on redemption of redeemable units	(464 531)	(363 063)
Distributions paid to holders of redeemable units	(105 420)	(97 829)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (139 401)	\$ 106 647
Net increase (decrease) in cash for the period	–	(1)
Cash (bank overdraft), beginning of period	232	233
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 232	\$ 232
Interest received (paid)	\$ 399	\$ 422
Dividends received, net of withholding taxes	\$ –	\$ –

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 032 913	\$ 2 154 476	\$ 23 801	\$ 23 433	\$ 549 460	\$ 199 477
INCREASE (DECREASE) IN NAV	(58 939)	100 267	(670)	1 119	(16 551)	21 382
Early redemption fees	1	6	—	—	—	—
Proceeds from redeemable units issued	246 666	402 551	2 957	3 741	387 672	393 778
Reinvestments of distributions to holders of redeemable units	42 090	47 976	667	721	9 280	4 310
Redemption of redeemable units	(542 473)	(544 802)	(5 553)	(3 771)	(125 384)	(46 541)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(253 716)	(94 269)	(1 929)	691	271 568	351 547
Distributions from net income	(29 261)	(26 890)	(352)	(304)	(11 752)	(4 837)
Distributions from net gains	(22 820)	(22 310)	(274)	(252)	(9 165)	(4 013)
Distributions from capital	(59 347)	(78 361)	(714)	(886)	(23 835)	(14 096)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(111 428)	(127 561)	(1 340)	(1 442)	(44 752)	(22 946)
NET INCREASE (DECREASE) IN NAV	(424 083)	(121 563)	(3 939)	368	210 265	349 983
NAV AT END OF PERIOD	\$ 1 608 830	\$ 2 032 913	\$ 19 862	\$ 23 801	\$ 759 725	\$ 549 460

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ 2 606 174	\$ 2 377 386
INCREASE (DECREASE) IN NAV	(27)	—	(76 187)	122 768
Early redemption fees	—	—	1	6
Proceeds from redeemable units issued	2 081	—	639 376	800 070
Reinvestments of distributions to holders of redeemable units	4	—	52 041	53 007
Redemption of redeemable units	(950)	—	(674 360)	(595 114)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 135	—	17 058	257 969
Distributions from net income	(2)	—	(41 367)	(32 031)
Distributions from net gains	(2)	—	(32 261)	(26 575)
Distributions from capital	(4)	—	(83 900)	(93 343)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(8)	—	(157 528)	(151 949)
NET INCREASE (DECREASE) IN NAV	1 100	—	(216 657)	228 788
NAV AT END OF PERIOD	\$ 1 100	\$ —	\$ 2 389 517	\$ 2 606 174

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 RBC Funds.

Series O units were started August 16, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 58.2% (December 31, 2017 – 58.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	11.4	13.0
AA	33.7	30.4
A	14.1	15.7
BBB	20.2	20.1
BB	9.8	10.5
B	9.5	8.9
CCC	0.8	0.7
D	0.1	0.1
Unrated	0.4	0.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	62.1	58.9
Canadian Equity Funds	27.4	27.3
United States Equity Funds	10.6	12.4
Cash/Other	(0.1)	1.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 61.9% (December 31, 2017 – 58.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.7	3.4
1 – 5 years	44.9	42.6
5 – 10 years	30.4	31.2
> 10 years	22.0	22.8
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.7% (December 31, 2017 – 3.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	10.8	13.7
Other currencies	0.3	0.9
Total	11.1	14.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.6% (December 31, 2017 – 0.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.4	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	2 391 975	–	–	2 391 975
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	4 915	–	4 915
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 391 975	4 915	–	2 396 890
% of total portfolio	99.8	0.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	2 568 165	–	–	2 568 165
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	49 693	–	49 693
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 568 165	49 693	–	2 617 858
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER of the underlying funds. The Specified Percentage for Series A and Advisor Series units is 1.75%.

Please see the generic notes at the back of the financial statements.

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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.59%	0.05%
Advisor Series	1.58%	0.05%
Series F	0.65%	0.05%
Series O	n/a†	0.02%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	103	–
Value of all units	1	–

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Income Fund	5.5	16.2	5.6	15.6
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.2	2.5	6.1	3.0
RBC Bond Fund	24.5	2.9	23.3	3.3
RBC Canadian Dividend Fund	16.4	2.3	16.2	2.2
RBC Canadian Equity Income Fund	5.5	4.5	5.5	4.1
RBC Canadian Short-Term Income Fund	12.9	5.5	12.1	5.7
RBC Global Corporate Bond Fund	10.0	2.2	9.4	2.5
RBC Global High Yield Bond Fund	14.8	9.9	14.1	10.1
RBC QUBE U.S. Equity Fund	5.4	3.6	6.3	4.5



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	237 806	248 761
Issued number of units	29 750	46 622
Reinvested number of units	5 133	5 579
Redeemed number of units	(65 623)	(63 156)
Ending number of units	207 066	237 806
Advisor Series		
Opening units	2 788	2 708
Issued number of units	361	435
Reinvested number of units	81	84
Redeemed number of units	(669)	(439)
Ending number of units	2 561	2 788
Series F		
Opening units	58 086	21 039
Issued number of units	42 106	41 498
Reinvested number of units	1 020	455
Redeemed number of units	(13 737)	(4 906)
Ending number of units	87 475	58 086
Series O		
Opening units	–	–
Issued number of units	217	–
Reinvested number of units	–	–
Redeemed number of units	(100)	–
Ending number of units	117	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC MANAGED PAYOUT SOLUTION – ENHANCED PLUS

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
21 832 799	Phillips, Hager & North Canadian Income Fund*	\$ 313 404	\$ 295 548	
8 803 100	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	147 033	141 268	
51 659 918	RBC Bond Fund*	354 285	347 479	
5 851 395	RBC Canadian Dividend Fund*	384 212	392 873	
3 525 862	RBC Canadian Equity Income Fund*	97 732	98 123	
21 971 238	RBC Canadian Short-Term Income Fund*	238 227	230 371	
17 742 346	RBC Global High Yield Bond Fund*	191 330	178 797	
9 906 324	RBC QUBE U.S. Equity Fund*	151 395	143 384	
TOTAL UNDERLYING FUNDS		1 877 618	1 827 843	100.1
SHORT-TERM INVESTMENTS†		5 679	5 679	0.3
TOTAL INVESTMENTS		<u>\$ 1 883 297</u>	1 833 522	100.4
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(7 531)	(0.4)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 1 825 991</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.25% and mature between January 2, 2019 and January 28, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 833 522	\$ 2 099 717
Cash	208	196
Due from investment dealers	3 000	–
Subscriptions receivable	842	954
Dividends receivable, interest accrued and other assets	1	27
TOTAL ASSETS	1 837 573	2 100 894
LIABILITIES		
Redemptions payable	1 850	1 092
Distributions payable	7 341	7 688
Accounts payable and accrued expenses	2 391	2 919
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	11 582	11 699
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 825 991	\$ 2 089 195
Investments at cost	\$ 1 883 297	\$ 2 002 702
NAV		
SERIES A	\$ 1 115 499	\$ 1 506 551
ADVISOR SERIES	\$ 19 842	\$ 23 481
SERIES D	\$ 97 077	\$ 102 467
SERIES F	\$ 593 572	\$ 456 668
SERIES O	\$ 1	\$ 28
NAV PER UNIT		
SERIES A	\$ 5.82	\$ 6.54
ADVISOR SERIES	\$ 5.83	\$ 6.55
SERIES D	\$ 6.41	\$ 7.15
SERIES F	\$ 7.10	\$ 7.89
SERIES O	\$ 7.23	\$ 7.97

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 279	\$ 349
Income from investment trusts	86 616	105 822
Net realized gain (loss) on investments	13 152	14 606
Change in unrealized gain (loss) on investments	(146 790)	31 002
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(46 743)	151 779
Net gain (loss) on foreign cash balances	1	–
TOTAL OTHER INCOME (LOSS)	1	–
TOTAL INCOME (LOSS)	(46 742)	151 779
EXPENSES (see notes – Fund Specific Information)		
Management fees	27 616	31 072
Administration fees	997	1 033
Independent Review Committee costs	2	3
GST/HST	2 629	2 926
TOTAL EXPENSES	31 244	35 034
INCREASE (DECREASE) IN NAV	\$ (77 986)	\$ 116 745
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (53 428)	\$ 87 366
ADVISOR SERIES	\$ (899)	\$ 1 248
SERIES D	\$ (3 694)	\$ 6 152
SERIES F	\$ (19 940)	\$ 21 969
SERIES O	\$ (25)	\$ 10
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.26)	\$ 0.36
ADVISOR SERIES	\$ (0.26)	\$ 0.36
SERIES D	\$ (0.25)	\$ 0.45
SERIES F	\$ (0.27)	\$ 0.55
SERIES O	\$ (0.80)	\$ 0.61



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (77 986)	\$ 116 745
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	–	–
Non-cash distributions from underlying funds	(86 616)	(105 822)
Net realized loss (gain) on investments	(13 135)	(14 602)
Change in unrealized loss (gain) on investments	146 790	(31 002)
(Increase) decrease in accrued receivables	26	(21)
Increase (decrease) in accrued payables	(528)	(87)
(Increase) decrease in margin accounts	–	–
Cost of investments purchased	(576 572)	(898 696)
Proceeds from sale and maturity of investments	792 728	960 694
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	184 707	27 209
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	301 158	403 071
Cash paid on redemption of redeemable units	(395 128)	(341 316)
Distributions paid to holders of redeemable units	(90 725)	(88 965)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (184 695)	\$ (27 210)
Net increase (decrease) in cash for the period	12	(1)
Cash (bank overdraft), beginning of period	196	197
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 208	\$ 196
Interest received (paid)	\$ 305	\$ 328
Dividends received, net of withholding taxes	\$ –	\$ –

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 506 551	\$ 1 696 325	\$ 23 481	\$ 21 759	\$ 102 467	\$ 87 397	\$ 456 668	\$ 196 242
INCREASE (DECREASE) IN NAV	(53 428)	87 366	(899)	1 248	(3 694)	6 152	(19 940)	21 969
Early redemption fees	1	—	—	—	1	3	—	1
Proceeds from redeemable units issued	167 470	237 990	1 781	6 007	38 444	50 473	294 229	304 643
Reinvestments of distributions to holders of redeemable units	40 671	48 227	512	490	3 612	3 345	9 705	4 234
Redemption of redeemable units	(451 690)	(449 014)	(3 436)	(4 379)	(36 249)	(37 993)	(105 401)	(47 218)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(243 548)	(162 797)	(1 143)	2 118	5 808	15 828	198 533	261 660
Distributions from net income	(17 009)	(14 750)	(289)	(212)	(1 357)	(891)	(7 537)	(2 993)
Distributions from net gains	(26 943)	(31 170)	(457)	(448)	(2 149)	(1 884)	(11 940)	(6 325)
Distributions from capital	(50 124)	(68 423)	(851)	(984)	(3 998)	(4 135)	(22 212)	(13 885)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(94 076)	(114 343)	(1 597)	(1 644)	(7 504)	(6 910)	(41 689)	(23 203)
NET INCREASE (DECREASE) IN NAV	(391 052)	(189 774)	(3 639)	1 722	(5 390)	15 070	136 904	260 426
NAV AT END OF PERIOD	\$ 1 115 499	\$ 1 506 551	\$ 19 842	\$ 23 481	\$ 97 077	\$ 102 467	\$ 593 572	\$ 456 668

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 28	\$ 1	\$ 2 089 195	\$ 2 001 724
INCREASE (DECREASE) IN NAV	(25)	10	(77 986)	116 745
Early redemption fees	—	—	2	4
Proceeds from redeemable units issued	2 038	1 826	503 962	600 939
Reinvestments of distributions to holders of redeemable units	6	4	54 506	56 300
Redemption of redeemable units	(2 028)	(1 803)	(598 804)	(540 407)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	16	27	(40 334)	116 836
Distributions from net income	(3)	(1)	(26 195)	(18 847)
Distributions from net gains	(5)	(3)	(41 494)	(39 830)
Distributions from capital	(10)	(6)	(77 195)	(87 433)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(18)	(10)	(144 884)	(146 110)
NET INCREASE (DECREASE) IN NAV	(27)	27	(263 204)	87 471
NAV AT END OF PERIOD	\$ 1	\$ 28	\$ 1 825 991	\$ 2 089 195

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide high, regular monthly distributions, primarily flowing from dividends, realized capital gains, other income and a return of capital, while avoiding significant erosion of the net asset value of the Fund and allowing for the potential of modest capital appreciation by investing primarily in units of other RBC Funds.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 41.4% (December 31, 2017 – 39.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	14.8	15.2
AA	39.4	33.5
A	11.5	13.0
BBB	16.0	16.0
BB	8.7	11.3
B	8.5	9.5
CCC	0.7	0.8
D	0.1	0.1
Unrated	0.3	0.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Equity Funds	43.1	42.5
Income Funds	41.4	39.2
United States Equity Funds	15.6	16.9
Cash/Other	(0.1)	1.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 41.4% (December 31, 2017 – 38.9%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	3.6	4.5
1 – 5 years	49.8	46.7
5 – 10 years	26.5	27.8
> 10 years	20.1	21.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.3% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	15.8	17.7
Other currencies	0.2	0.4
Total	16.0	18.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.8% (December 31, 2017 – 0.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	1 827 843	–	–	1 827 843
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	5 679	–	5 679
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 827 843	5 679	–	1 833 522
% of total portfolio	99.7	0.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	2 059 146	–	–	2 059 146
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	40 571	–	40 571
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 059 146	40 571	–	2 099 717
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.70%	0.05%
Advisor Series	1.70%	0.05%
Series D	0.95%	0.05%
Series F	0.70%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Please see the generic notes at the back of the financial statements.

Investments by related parties
((\$000s except unit amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	87	81
Value of all units	1	1

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Income Fund	16.2	36.4	16.0	35.8
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.7	2.8	8.5	3.3
RBC Bond Fund	19.0	1.7	18.3	2.1
RBC Canadian Dividend Fund	21.5	2.3	21.2	2.4
RBC Canadian Equity Income Fund	5.4	3.4	5.3	3.1
RBC Canadian Short-Term Income Fund	12.6	4.1	11.8	4.5
RBC Global High Yield Bond Fund	9.8	5.0	9.1	5.2
RBC QUBE U.S. Equity Fund	7.9	4.1	8.4	4.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	230 320	255 088
Issued number of units	26 457	36 015
Reinvested number of units	6 505	7 343
Redeemed number of units	(71 603)	(68 126)
Ending number of units	191 679	230 320



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	3 585	3 268
Issued number of units	279	903
Reinvested number of units	82	74
Redeemed number of units	(541)	(660)
Ending number of units	3 405	3 585
Series D		
Opening units	14 336	12 134
Issued number of units	5 528	7 050
Reinvested number of units	527	468
Redeemed number of units	(5 256)	(5 316)
Ending number of units	15 135	14 336
Series F		
Opening units	57 894	24 751
Issued number of units	38 372	38 585
Reinvested number of units	1 284	538
Redeemed number of units	(13 914)	(5 980)
Ending number of units	83 636	57 894
Series O		
Opening units	4	–
Issued number of units	264	231
Reinvested number of units	1	–
Redeemed number of units	(269)	(227)
Ending number of units	–	4

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC MONTHLY INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INCOME TRUSTS				
Health Care				
946 321	Chartwell Retirement Residences Real Estate Investment Trust	\$ 9 144	\$ 12 936	
		9 144	12 936	0.2
Real Estate				
375 095	Allied Properties Real Estate Investment Trust	13 610	16 624	
926 880	Choice Properties Real Estate Investment Trust	11 188	10 678	
95 215	Granite Real Estate Investment Trust	3 809	5 066	
460 000	Minto Apartment Real Estate Investment Trust	6 670	8 510	
276 039	SmartCentres Real Estate Investment Trust	8 134	8 510	
		43 411	49 388	0.7
TOTAL INCOME TRUSTS				
		52 555	62 324	0.9
COMMON EQUITIES				
Communication Services				
777 587	BCE Inc.	28 618	41 935	
606 076	Quebecor Inc., Class B	12 960	17 419	
572 287	Rogers Communications Inc., Class B	27 378	40 037	
1 126 634	Shaw Communications Inc., Class B	26 809	27 839	
1 142 248	TELUS Corp.	40 887	51 687	
		136 652	178 917	2.5
Consumer Discretionary				
695 129	Aritzia Inc.	11 456	11 400	
317 510	Dollarama Inc.	14 193	10 310	
626 346	Magna International Inc., Class A	17 290	38 815	
382 188	Restaurant Brands International Inc.	28 511	27 258	
		71 450	87 783	1.2
Consumer Staples				
749 519	Alimentation Couche-Tard Inc.	45 815	50 900	
196 826	George Weston Ltd.	17 766	17 724	
529 085	Loblaw Companies Ltd.	24 438	32 332	
417 367	Maple Leaf Foods Inc.	5 929	11 407	
252 232	Metro Inc., Class A	9 024	11 941	
		102 972	124 304	1.7
Energy				
917 338	ARC Resources Ltd.	24 225	7 430	
1 535 632	Canadian Natural Resources Ltd.	55 655	50 584	
789 542	Cenovus Energy Inc.	19 304	7 580	
3 145 354	Enbridge Inc.	137 393	133 394	
1 249 351	Encana Corp.	19 744	9 845	
644 090	Enerplus Corp.	7 495	6 840	
218 952	Gibson Energy Inc.	3 860	4 090	
249 079	Imperial Oil Ltd.	10 491	8 616	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
524 455	Keyera Corp.	\$ 17 341	\$ 13 536	
947 822	Pembina Pipeline Corp.	36 943	38 396	
694 545	PrairieSky Royalty Ltd.	20 601	12 273	
245 665	ShawCor Ltd.	9 309	4 073	
1 745 169	Suncor Energy Inc.	59 588	66 543	
1 008 870	TORC Oil & Gas Ltd.	7 696	4 409	
532 662	Tourmaline Oil Corp.	12 347	9 045	
1 516 755	TransCanada Corp.	71 023	73 942	
100 000	Vermilion Energy Inc.	3 540	2 876	
		516 555	453 472	6.3
Financials				
985 021	Bank of Montreal	73 435	87 854	
2 252 866	Bank of Nova Scotia	120 542	153 308	
1 785 039	Brookfield Asset Management Inc., Class A	53 157	93 393	
643 344	Canadian Imperial Bank of Commerce	53 609	65 415	
1 442 063	Element Fleet Management Corp.	9 865	9 965	
37 357	Fairfax Financial Holdings Ltd.	21 256	22 451	
242 768	Industrial Alliance Insurance & Financial Services Inc.	10 865	10 577	
218 439	Intact Financial Corp.	20 638	21 667	
3 603 839	Manulife Financial Corporation	67 625	69 806	
406 032	National Bank of Canada	18 440	22 758	
283 160	Onex Corporation	25 112	21 053	
617 038	Power Corporation of Canada	18 113	15 136	
2 364 915	Royal Bank of Canada*	132 838	220 978	
1 138 593	Sun Life Financial Inc.	45 041	51 567	
2 907 402	Toronto-Dominion Bank	117 967	197 296	
		788 503	1 063 224	14.7
Industrials				
304 070	Brookfield Business Partners LP	10 496	12 643	
1 119 378	Canadian National Railway Co.	64 775	113 180	
252 655	Canadian Pacific Railway Ltd.	35 307	61 203	
142 184	Finning International Inc.	3 861	3 384	
231 521	Russel Metals Inc.	4 984	4 938	
547 693	SNC-Lavalin Group Inc.	28 625	25 150	
502 685	Thomson Reuters Corp.	22 876	33 142	
157 049	Toromont Industries Ltd.	8 677	8 521	
490 000	Transcontinental Inc., Class A	10 441	9 457	
415 438	Waste Connections Inc.	30 156	42 096	
252 038	Westshore Terminals Investment Corp.	5 553	5 187	
202 201	WSP Global Inc.	11 363	11 863	
		237 114	330 764	4.6
Information Technology				
455 000	Open Text Corp.	20 467	20 248	
		20 467	20 248	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
163 000	Acadian Timber Corp.	\$ 1 679	\$ 2 466	
457 451	Agnico Eagle Mines Ltd.	18 727	25 206	
150 650	Franco-Nevada Corp.	14 206	14 422	
798 946	Goldcorp Inc.	24 703	10 682	
81 585	Methanex Corp.	3 823	5 357	
117 619	Newmont Mining Corporation	5 779	5 564	
93 971	Norbord Inc.	2 671	3 411	
781 329	Nutrien Ltd.	50 966	50 099	
575 959	Teck Resources Ltd., Class B	7 676	16 927	
		130 230	134 134	1.8
Real Estate				
1 215 379	Brookfield Property Partners LP	23 061	26 763	
992 513	First Capital Realty Inc.	18 184	18 709	
832 463	Tricon Capital Group Inc.	8 956	8 067	
		50 201	53 539	0.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
1 008 988	Algonquin Power & Utilities Corp.	\$ 9 744	\$ 13 853	
480 000	AltaGas Canada Inc.	6 960	7 786	
450 000	AltaGas Ltd.	6 831	6 255	
198 268	Atco Ltd., Class I, Non-Voting	7 019	7 655	
508 854	Brookfield Infrastructure Partners LP	18 583	23 992	
401 942	Brookfield Renewable Partners LP	10 508	14 209	
355 298	Emera Inc.	12 532	15 530	
727 589	Fortis Inc.	24 390	33 113	
1 741 394	TransAlta Corp.	15 028	9 734	
		111 595	132 127	1.8
TOTAL COMMON EQUITIES		2 165 739	2 578 512	35.6
UNDERLYING FUNDS				
2 775 892	RBC Emerging Markets Foreign Exchange Fund*	27 299	29 418	
21 344 214	RBC U.S. Dividend Fund*	563 823	607 609	
TOTAL UNDERLYING FUNDS		591 122	637 027	8.8

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
22 100	407 International Inc.	5.750	14-Feb-2036	\$ 23 091	\$ 27 372	
5 000	407 International Inc.	4.450	15-Nov-2041	4 994	5 495	
7 400	407 International Inc.	3.600	21-May-2047	7 392	7 166	
5 000	407 International Inc.	3.720	11-May-2048	5 000	4 945	
4 000	Aéroports de Montréal	5.670	16-Oct-2037	4 340	5 196	
4 000	AIMCo Realty Investors LP	3.367	01-Jun-2027	4 000	4 044	
8 500	AIMCo Realty Investors LP	3.043	01-Jun-2028	8 500	8 348	
2 800	Alectra Inc.	2.488	17-May-2027	2 800	2 686	
7 600	AltaGas Ltd.	4.550	17-Jan-2019	8 303	7 605	
5 000	AltaGas Ltd.	3.570	12-Jun-2023	4 996	4 938	
9 800	AltaLink LP	3.668	06-Nov-2023	9 876	10 192	
5 000	Bank of Montreal	2.840	04-Jun-2020	4 999	5 021	
18 700	Bank of Montreal	1.880	31-Mar-2021	18 448	18 375	
7 900	Bank of Montreal	3.400	23-Apr-2021	8 166	8 023	
10 100	Bank of Montreal	1.610	28-Oct-2021	10 069	9 790	
12 300	Bank of Montreal	2.270	11-Jul-2022	12 299	12 068	
19 000	Bank of Montreal	2.890	20-Jun-2023	18 997	18 990	
13 100	Bank of Montreal	3.190	01-Mar-2028	13 055	13 119	
3 750	Bank of Nova Scotia	2.270	13-Jan-2020	3 749	3 744	
3 400	Bank of Nova Scotia	2.130	15-Jun-2020	3 399	3 379	
16 000	Bank of Nova Scotia	2.873	04-Jun-2021	16 310	16 052	
28 000	Bank of Nova Scotia	1.900	02-Dec-2021	27 992	27 305	
1 700	Bank of Nova Scotia	1.830	27-Apr-2022	1 699	1 646	
7 000	Bank of Nova Scotia	2.360	08-Nov-2022	6 959	6 864	
9 000	Bank of Nova Scotia	2.980	17-Apr-2023	8 997	9 019	
11 000	Bank of Nova Scotia	2.290	28-Jun-2024	10 999	10 614	
17 825	Bank of Nova Scotia	8.900	20-Jun-2025	26 108	23 623	
7 000	Bank of Nova Scotia	3.100	02-Feb-2028	6 998	6 958	
315	Baytex Energy Corp. USD	5.125	01-Jun-2021	291	414	
45	Baytex Energy Corp. USD	5.625	01-Jun-2024	55	53	
8 000	BC Tel	10.650	19-Jun-2021	12 237	9 402	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
3 900	bcIMC Realty Corp.	2.100	03-Jun-2021	\$ 3 898	\$ 3 847	
15 000	Bell Canada	3.540	12-Jun-2020	14 930	15 163	
300	Bell Canada	3.250	17-Jun-2020	314	302	
12 500	Bell Canada	4.950	19-May-2021	13 107	13 059	
15 800	Bell Canada	2.000	01-Oct-2021	15 770	15 365	
11 600	Bell Canada	3.000	03-Oct-2022	11 733	11 502	
20 700	Bell Canada	3.350	22-Mar-2023	21 248	20 714	
1 500	Bell Canada	6.100	16-Mar-2035	1 681	1 768	
10 000	Bell Canada	4.750	29-Sep-2044	9 910	9 990	
6 200	British Columbia Ferry Services Inc.	6.250	13-Oct-2034	7 209	8 168	
8 750	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	8 750	8 665	
2 050	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	2 049	2 122	
10 000	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	9 935	9 894	
3 000	Brookfield Renewable Energy Partners ULC	3.630	15-Jan-2027	2 999	2 879	
1 700	Bruce Power LP	2.844	23-Jun-2021	1 700	1 694	
5 000	Caisse Centrale Desjardins	1.748	02-Mar-2020	5 000	4 957	
6 700	Caisse Centrale Desjardins	2.091	17-Jan-2022	6 700	6 559	
3 000	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	3 009	3 021	
3 000	Calloway Real Estate Investment Trust	3.985	30-May-2023	3 003	3 035	
5 000	Cameco Corp.	5.670	02-Sep-2019	5 116	5 091	
10 000	Canada Life Capital Trust	7.529	30-Jun-2032	13 174	13 533	
10 000	Canadian Credit Card Trust II	1.829	24-Mar-2020	10 000	9 915	
32 700	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	32 693	32 443	
22 000	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	21 964	21 759	
2 150	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	2 149	2 111	
4 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	4 000	4 013	
2 350	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	2 349	2 294	
5 350	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	5 350	5 251	
6 300	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	6 299	6 311	
3 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	3 000	2 991	
5 000	Canadian Pacific Railway Ltd.	5.100	14-Jan-2022	4 986	5 331	
6 600	Canadian Real Estate Investment Trust	4.323	15-Jan-2021	6 684	6 748	
3 500	Canadian Western Bank	2.881	01-Mar-2021	3 500	3 485	
4 200	Canadian Western Bank	2.924	15-Dec-2022	4 200	4 132	
13 500	Capital Desjardins Inc.	5.187	05-May-2020	14 597	13 930	
1 500	Cards II Trust	2.155	15-Oct-2020	1 500	1 487	
6 800	CCL Industries Inc.	3.864	13-Apr-2028	6 800	6 815	
1 200	Cenovus Energy Inc. USD	6.750	15-Nov-2039	1 412	1 605	
3 000	Choice Properties LP	3.000	20-Sep-2019	3 000	3 006	
11 500	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	11 500	11 330	
2 000	CT Real Estate Investment Trust	3.469	16-Jun-2027	2 000	1 904	
5 000	Daimler Canada Finance Inc.	1.570	25-May-2020	5 000	4 915	
1 300	Daimler Canada Finance Inc.	1.910	08-Jul-2021	1 302	1 265	
7 500	Daimler Canada Finance Inc.	2.230	16-Dec-2021	7 387	7 327	
3 700	Daimler Canada Finance Inc.	3.050	16-May-2022	3 699	3 692	
1 500	Daimler Canada Finance Inc.	3.300	16-Aug-2022	1 500	1 507	
2 100	Dollarama Inc.	2.337	22-Jul-2021	2 100	2 055	
5 000	Emera Inc.	2.900	16-Jun-2023	5 000	4 907	
3 000	Enbridge Gas Distribution Inc.	4.040	23-Nov-2020	2 999	3 076	
6 000	Enbridge Gas Distribution Inc.	9.850	02-Dec-2024	9 037	8 094	
5 000	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	5 906	5 848	
2 400	Enbridge Inc.	4.770	02-Sep-2019	2 512	2 434	
8 600	Enbridge Inc.	3.200	08-Jun-2027	8 596	8 189	
4 500	Enbridge Inc.	5.570	14-Nov-2035	4 951	4 922	
5 000	Enbridge Inc.	4.570	11-Mar-2044	5 200	4 822	
125	Enbridge Inc. USD	5.500	15-Jul-2077	144	145	
2 500	Enbridge Inc.	5.375	27-Sep-2077	2 500	2 310	
6 000	Enbridge Pipelines Inc.	4.490	12-Nov-2019	6 272	6 112	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
3 500	EnerCare Solutions Inc.	4.600	03-Feb-2020	\$ 3 498	\$ 3 557	
7 000	EPCOR Utilities Inc.	4.550	28-Feb-2042	7 315	7 818	
10 000	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	9 959	10 757	
2 000	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	1 929	1 960	
15 400	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	15 239	15 140	
3 445	First Capital Realty Inc.	4.430	31-Jan-2022	3 395	3 550	
5 000	Ford Credit Canada Co.	3.140	14-Jun-2019	5 000	5 006	
5 000	Ford Credit Canada Co.	2.580	10-May-2021	5 000	4 826	
12 500	Ford Credit Canada Co.	2.766	22-Jun-2022	12 399	11 793	
600	Fortified Trust	2.161	23-Oct-2020	600	595	
4 500	FortisAlberta Inc.	3.300	30-Sep-2024	4 500	4 592	
1 200	FortisAlberta Inc.	6.220	31-Oct-2034	1 489	1 551	
1 500	FortisBC Energy Inc.	5.900	26-Feb-2035	1 775	1 901	
1 500	FortisBC Energy Inc.	3.375	13-Apr-2045	1 500	1 406	
3 100	Gaz Metro Inc.	9.000	16-May-2025	4 624	4 143	
10 000	Genesis Trust II	1.699	15-Apr-2020	10 000	9 897	
9 000	Genworth MI Canada Inc.	5.680	15-Jun-2020	9 390	9 311	
120	Gibson Energy Inc.	5.375	15-Jul-2022	114	120	
150	Gibson Energy Inc.	5.250	15-Jul-2024	151	146	
5 800	Glacier Credit Card Trust	2.048	20-Sep-2022	5 800	5 616	
5 000	Great-West Lifeco Inc.	4.650	13-Aug-2020	5 534	5 159	
6 000	Great-West Lifeco Inc.	6.740	24-Nov-2031	6 967	7 831	
10 000	Greater Toronto Airports Authority	6.980	15-Oct-2032	12 194	13 925	
9 500	Greater Toronto Airports Authority	6.470	02-Feb-2034	12 056	12 783	
10 200	Greater Toronto Airports Authority	3.260	01-Jun-2037	10 193	9 882	
6 500	Greater Toronto Airports Authority	5.630	07-Jun-2040	7 730	8 509	
8 400	H&R Real Estate Investment Trust	2.923	06-May-2022	8 334	8 218	
5 000	Hollis Receivables Term Trust II	1.788	26-Feb-2020	5 000	4 958	
3 000	Honda Canada Finance Inc.	3.176	28-Aug-2023	3 000	3 008	
10 900	HSBC Bank Canada	2.938	14-Jan-2020	11 009	10 939	
4 500	HSBC Bank Canada	2.170	29-Jun-2022	4 500	4 373	
7 600	HSBC Bank Canada	2.542	31-Jan-2023	7 600	7 438	
5 000	HSBC Bank Canada	3.245	15-Sep-2023	5 000	5 019	
17 000	Hydro One Inc.	1.620	30-Apr-2020	16 998	16 798	
20 600	Hydro One Inc.	7.350	03-Jun-2030	26 032	27 972	
8 000	Hydro One Inc.	5.360	20-May-2036	9 420	9 523	
4 500	Hydro One Inc.	3.630	25-Jun-2049	4 499	4 277	
3 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	3 087	3 023	
10 000	Inter Pipeline Ltd.	4.967	02-Feb-2021	10 676	10 367	
3 800	Inter Pipeline Ltd.	2.734	18-Apr-2024	3 619	3 623	
2 500	Keyera Corp.	3.934	21-Jun-2028	2 500	2 462	
2 800	Loblaw Companies Ltd.	3.748	12-Mar-2019	2 800	2 810	
2 200	Loblaw Companies Ltd.	3.918	10-Jun-2024	2 200	2 240	
2 000	Loblaw Companies Ltd.	6.450	09-Feb-2028	2 275	2 353	
5 900	Loblaw Companies Ltd.	6.050	09-Jun-2034	6 446	6 800	
10 200	Loblaw Companies Ltd.	5.900	18-Jan-2036	9 614	11 627	
8 000	Manulife Bank of Canada	1.915	01-Sep-2021	8 000	7 809	
6 250	Manulife Bank of Canada	2.082	26-May-2022	6 250	6 077	
15 000	Manulife Financial Corporation	5.059	15-Dec-2041	12 811	16 153	
50	Mattamy Group Corp. USD	6.875	15-Dec-2023	64	64	
175	Mattamy Group Corp. USD	6.500	01-Oct-2025	224	215	
1 900	Metro Inc.	3.390	06-Dec-2027	1 899	1 819	
6 600	National Bank of Canada	1.742	03-Mar-2020	6 612	6 543	
20 500	National Bank of Canada	1.809	26-Jul-2021	20 576	20 026	
17 900	National Bank of Canada	2.105	18-Mar-2022	17 688	17 506	
17 700	National Bank of Canada	1.957	30-Jun-2022	17 608	17 174	
130	New Gold Inc. USD	6.250	15-Nov-2022	176	150	
95	New Gold Inc. USD	6.375	15-May-2025	129	99	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
2 600	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	\$ 2 600	\$ 2 572	
2 400	North West Redwater Partnership	3.200	22-Jul-2024	2 396	2 393	
3 500	North West Redwater Partnership	2.800	01-Jun-2027	3 491	3 317	
8 000	Nova Gas Transmission Ltd.	9.900	16-Dec-2024	11 975	10 709	
6 972	Nova Scotia Power Inc.	9.750	02-Aug-2019	9 768	7 249	
3 000	Nova Scotia Power Inc.	4.500	20-Jul-2043	3 028	3 236	
5 600	OMERS Realty Corp.	3.331	05-Jun-2025	5 600	5 690	
500	Parkland Fuel Corp.	5.750	16-Sep-2024	508	490	
25	Parkland Fuel Corp.	5.625	09-May-2025	25	24	
3 000	Pembina Pipeline Corp.	4.890	29-Mar-2021	3 000	3 111	
2 780	Pembina Pipeline Corp.	2.990	22-Jan-2024	2 761	2 704	
5 000	Pembina Pipeline Corp.	4.240	15-Jun-2027	5 000	5 087	
6 700	Pembina Pipeline Corp.	4.020	27-Mar-2028	6 699	6 662	
1 600	Pembina Pipeline Corp.	4.750	30-Apr-2043	1 596	1 532	
5 000	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	5 000	4 909	
1 700	Power Corp of Canada	4.455	27-Jul-2048	1 700	1 709	
150	Precision Drilling Corp. USD	7.750	15-Dec-2023	202	190	
85	Precision Drilling Corp. USD	7.125	15-Jan-2026	111	100	
5 000	Reliance LP	5.187	15-Mar-2019	5 366	5 026	
6 500	Rogers Communications Inc.	5.380	04-Nov-2019	6 870	6 646	
5 000	Rogers Communications Inc.	4.700	29-Sep-2020	4 997	5 153	
25 400	Rogers Communications Inc.	5.340	22-Mar-2021	27 786	26 647	
17 000	Rogers Communications Inc.	6.110	25-Aug-2040	18 454	20 049	
5 000	Royal Bank of Canada*	1.920	17-Jul-2020	5 000	4 953	
5 000	Royal Bank of Canada*	2.860	04-Mar-2021	4 999	5 019	
15 000	Royal Bank of Canada*	2.030	15-Mar-2021	15 216	14 793	
15 000	Royal Bank of Canada*	2.000	21-Mar-2022	14 998	14 630	
6 500	Royal Bank of Canada*	4.930	16-Jul-2025	6 498	7 234	
8 300	Scotiabank Capital Trust	7.802	30-Jun-2108	8 300	8 503	
230	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	289	282	
5 900	Shaw Communications Inc.	5.650	01-Oct-2019	6 145	6 027	
7 000	Shaw Communications Inc.	3.800	02-Nov-2023	7 000	7 045	
7 000	Shaw Communications Inc.	4.350	31-Jan-2024	7 101	7 208	
10 000	Shaw Communications Inc.	6.750	09-Nov-2039	9 737	11 927	
20 000	Sun Life Financial Inc.	4.570	23-Aug-2021	19 992	20 905	
8 000	Sun Life Financial Inc.	5.400	29-May-2042	7 995	9 205	
5 000	Suncor Energy Inc.	3.100	26-Nov-2021	4 983	5 020	
130	Superior Plus Corp. USD	7.000	15-Jul-2026	173	172	
300	Superior Plus LP	5.250	27-Feb-2024	307	283	
5 000	TELUS Corp.	3.200	05-Apr-2021	4 987	5 022	
7 300	TELUS Corp.	2.350	28-Mar-2022	7 148	7 127	
12 100	TELUS Corp.	3.625	01-Mar-2028	11 927	11 866	
5 000	TELUS Corp.	4.400	01-Apr-2043	4 988	4 679	
4 000	TELUS Corp.	4.700	06-Mar-2048	4 056	3 904	
5 000	Teranet Holdings LP	4.807	16-Dec-2020	5 508	5 143	
2 260	Teranet Holdings LP	5.754	17-Dec-2040	2 214	2 302	
3 500	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	3 500	3 502	
6 000	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	6 000	5 938	
6 600	Thomson Reuters Corp.	3.309	12-Nov-2021	6 600	6 666	
3 000	Toronto Hydro Corp.	4.490	12-Nov-2019	2 999	3 054	
8 700	Toronto-Dominion Bank	1.693	02-Apr-2020	8 700	8 616	
10 000	Toronto-Dominion Bank	2.563	24-Jun-2020	10 000	10 005	
19 300	Toronto-Dominion Bank	2.045	08-Mar-2021	19 490	19 054	
7 000	Toronto-Dominion Bank	2.621	22-Dec-2021	7 175	6 974	
14 200	Toronto-Dominion Bank	1.994	23-Mar-2022	14 088	13 862	
22 000	Toronto-Dominion Bank	3.005	30-May-2023	22 000	22 131	
12 600	Toronto-Dominion Bank	1.909	18-Jul-2023	12 600	12 083	
8 000	Toronto-Dominion Bank	3.226	24-Jul-2024	8 000	8 115	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
3 000	Toronto-Dominion Bank	9.150	26-May-2025	\$ 4 326	\$ 4 021	
3 000	Toyota Credit Canada Inc.	1.800	19-Feb-2020	2 997	2 976	
5 000	Toyota Credit Canada Inc.	2.200	25-Feb-2021	4 990	4 941	
2 500	Toyota Credit Canada Inc.	1.750	21-Jul-2021	2 496	2 435	
4 500	Toyota Credit Canada Inc.	2.350	18-Jul-2022	4 500	4 408	
10 000	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	9 999	10 212	
3 000	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	2 996	2 988	
4 000	TransCanada PipeLines Ltd.	4.180	03-Jul-2048	3 999	3 689	
3 000	Union Gas Ltd.	2.810	01-Jun-2026	3 000	2 921	
15 000	Union Gas Ltd.	4.880	21-Jun-2041	17 162	17 170	
165	Vermilion Energy Inc. USD	5.625	15-Mar-2025	222	212	
170	Videotron Ltd.	5.625	15-Jun-2025	177	173	
310	Videotron Ltd.	5.750	15-Jan-2026	311	315	
7 000	VW Credit Canada Inc.	2.900	29-Mar-2021	6 993	6 956	
3 000	Wells Fargo Canada Corp.	2.944	25-Jul-2019	3 003	3 009	
21 000	Wells Fargo Canada Corp.	3.040	29-Jan-2021	21 019	21 098	
5 000	Westcoast Energy Inc.	5.600	16-Jan-2019	5 817	5 005	
5 000	Westcoast Energy Inc.	6.750	15-Dec-2027	5 662	6 090	
				1 582 753	1 582 565	21.9
FEDERAL						
33 950	Canada Housing Trust No. 1	3.350	15-Dec-2020	35 685	34 837	
15 000	Canada Housing Trust No. 1	1.250	15-Jun-2021	14 563	14 718	
52 000	Canada Housing Trust No. 1	2.650	15-Mar-2022	52 949	52 823	
35 000	Canada Housing Trust No. 1	2.350	15-Sep-2023	34 550	35 102	
55 000	Government of Canada	0.750	01-Sep-2021	54 335	53 417	
55 000	Government of Canada	0.500	01-Mar-2022	52 460	52 692	
27 110	Government of Canada	1.500	01-Jun-2023	26 653	26 673	
14 000	Government of Canada	1.500	01-Jun-2026	13 049	13 584	
29 590	Government of Canada	1.000	01-Jun-2027	27 048	27 431	
33 550	Government of Canada	2.000	01-Jun-2028	33 098	33 655	
7 300	Government of Canada	5.750	01-Jun-2029	9 854	9 864	
22 886	Government of Canada	5.750	01-Jun-2033	29 476	33 330	
35 490	Government of Canada	4.000	01-Jun-2041	43 734	46 833	
22 550	Government of Canada	3.500	01-Dec-2045	29 493	28 530	
87 600	Government of Canada	2.750	01-Dec-2048	96 888	98 508	
				553 835	561 997	7.8
PROVINCIAL/MUNICIPAL						
35 000	Hydro-Quebec	11.000	15-Aug-2020	57 482	39 956	
45 000	Hydro-Quebec	6.500	15-Feb-2035	55 644	64 299	
7 280	Ontario Electricity Financial Corp.	8.400	06-Nov-2020	9 229	8 056	
10 000	Ontario Electricity Financial Corp.	8.500	26-May-2025	14 776	13 344	
45 000	Ontario Electricity Financial Corp.	8.250	22-Jun-2026	65 110	61 285	
30 000	Province of British Columbia	3.700	18-Dec-2020	32 757	30 940	
9 000	Province of British Columbia	9.000	23-Aug-2024	13 483	12 024	
5 000	Province of British Columbia	5.700	18-Jun-2029	6 135	6 299	
5 000	Province of Manitoba	4.600	05-Mar-2038	4 899	5 917	
7 000	Province of Manitoba	4.650	05-Mar-2040	6 825	8 406	
24 000	Province of New Brunswick	4.800	03-Jun-2041	24 183	29 222	
6 000	Province of Newfoundland and Labrador	5.600	17-Oct-2033	6 595	7 599	
3 700	Province of Nova Scotia	9.600	30-Jan-2022	5 804	4 481	
15 000	Province of Nova Scotia	6.600	01-Dec-2031	19 889	20 759	
10 000	Province of Nova Scotia	4.500	01-Jun-2037	9 373	11 834	
27 340	Province of Ontario	4.200	02-Jun-2020	28 632	28 161	
26 110	Province of Ontario	4.000	02-Jun-2021	28 204	27 225	
56 200	Province of Ontario	3.150	02-Jun-2022	58 340	57 699	
28 000	Province of Ontario	2.850	02-Jun-2023	27 208	28 460	
58 800	Province of Ontario	3.500	02-Jun-2024	61 498	61 622	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
60 700	Province of Ontario	2.600	02-Jun-2025	\$ 61 491	\$ 60 590	
30 000	Province of Ontario	2.400	02-Jun-2026	30 304	29 379	
23 000	Province of Ontario	2.600	02-Jun-2027	22 864	22 687	
20 000	Province of Ontario	2.900	02-Jun-2028	19 779	20 131	
62 700	Province of Ontario	6.500	08-Mar-2029	81 147	82 436	
16 400	Province of Ontario	5.600	02-Jun-2035	21 734	21 598	
14 770	Province of Ontario	4.700	02-Jun-2037	17 668	17 950	
79 860	Province of Ontario	4.600	02-Jun-2039	87 799	96 949	
77 450	Province of Ontario	4.650	02-Jun-2041	84 627	95 377	
59 730	Province of Ontario	3.500	02-Jun-2043	61 268	62 711	
80 950	Province of Ontario	3.450	02-Jun-2045	74 588	84 481	
24 525	Province of Ontario	2.900	02-Dec-2046	22 831	23 146	
65 000	Province of Ontario	2.800	02-Jun-2048	61 501	60 243	
7 500	Province of Ontario	2.900	02-Jun-2049	7 265	7 104	
8 750	Province of Prince Edward Island	4.250	24-Sep-2019	8 740	8 894	
3 000	Province of Prince Edward Island	4.650	19-Nov-2037	2 925	3 501	
46 980	Province of Quebec	4.500	01-Dec-2020	52 827	49 117	
12 000	Province of Quebec	3.500	01-Dec-2022	12 786	12 514	
77 800	Province of Quebec	3.000	01-Sep-2023	77 918	79 720	
56 000	Province of Quebec	3.750	01-Sep-2024	60 080	59 599	
10 000	Province of Quebec	2.750	01-Sep-2025	10 237	10 089	
10 000	Province of Quebec	2.500	01-Sep-2026	10 225	9 880	
35 000	Province of Quebec	2.750	01-Sep-2027	35 240	35 051	
22 500	Province of Quebec	2.750	01-Sep-2028	22 159	22 467	
5 600	Province of Quebec	5.750	01-Dec-2036	6 559	7 639	
7 000	Province of Quebec	5.000	01-Dec-2038	8 733	8 948	
52 500	Province of Quebec	5.000	01-Dec-2041	57 951	68 382	
16 000	Province of Quebec	4.250	01-Dec-2043	17 863	19 033	
7 500	Province of Quebec	3.500	01-Dec-2045	8 149	7 973	
				1 583 324	1 615 177	22.3
TOTAL CANADIAN BONDS				3 719 912	3 759 739	52.0
UNITED STATES BONDS						
200	Alcoa Nederland Holding BV	6.750	30-Sep-2024	271	279	
50	Alcoa Nederland Holding BV	7.000	30-Sep-2026	69	70	
220	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	393	358	
75	AMC Entertainment Holdings Inc.	6.125	15-May-2027	91	88	
75	American Axle & Manufacturing Inc.	6.250	01-Apr-2025	93	94	
225	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	286	276	
200	Avis Budget Car Rental LLC	5.250	15-Mar-2025	252	237	
200	Ball Corp.	4.875	15-Mar-2026	255	267	
175	Berry Global Inc.	4.500	15-Feb-2026	214	219	
150	Blue Racer Midstream LLC	6.625	15-Jul-2026	198	191	
230	Boyd Gaming Corp.	6.375	01-Apr-2026	309	305	
225	Builders FirstSource Inc.	5.625	01-Sep-2024	298	286	
150	Calpine Corp.	5.250	01-Jun-2026	185	188	
395	CCO Holdings LLC	5.750	15-Feb-2026	531	530	
200	Cedar Fair LP	5.375	15-Apr-2027	270	259	
500	CenturyLink Inc.	7.500	01-Apr-2024	638	660	
175	Cinemark USA Inc.	4.875	01-Jun-2023	229	230	
130	CIT Group Inc.	5.000	01-Aug-2023	172	174	
130	Consol Energy Inc.	5.875	15-Apr-2022	170	171	
290	CSC Holdings LLC	5.500	15-Apr-2027	384	369	
200	Equinix Inc.	5.875	15-Jan-2026	269	276	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
UNITED STATES BONDS (cont.)						
130	Frontier Communications Corp.	11.000	15-Sep-2025	\$ 173	\$ 111	
200	Hanesbrands Inc.	4.875	15-May-2026	259	247	
375	HCA Inc.	5.875	15-Feb-2026	503	511	
100	HCA Inc.	4.500	15-Feb-2027	126	129	
235	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	296	309	
140	Ingles Markets Inc.	5.750	15-Jun-2023	190	190	
300	International Game Technology Plc.	6.500	15-Feb-2025	436	405	
145	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	186	191	
5 505	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	2 899	79	
100	Lennar Corp.	4.750	30-May-2025	129	128	
300	Lennar Corp.	5.250	01-Jun-2026	392	388	
6 650	Merrill Lynch & Co. Inc. CAD	5.290	30-May-2022	6 463	6 643	
225	Mobile Mini Inc.	5.875	01-Jul-2024	296	302	
180	Murphy Oil Corp.	5.750	15-Aug-2025	231	230	
175	New Albertson's Inc.	6.625	15-Jun-2024	228	223	
130	NRG Energy Inc.	6.250	01-May-2024	171	181	
125	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	169	170	
210	Parsley Energy LLC	6.250	01-Jun-2024	285	279	
215	Post Holdings Inc.	5.750	01-Mar-2027	269	277	
50	PulteGroup Inc.	5.500	01-Mar-2026	64	66	
175	PulteGroup Inc.	5.000	15-Jan-2027	215	217	
200	Rite Aid Corp.	6.125	01-Apr-2023	242	217	
195	SemGroup Corp.	6.375	15-Mar-2025	246	247	
160	Six Flags Entertainment Corp.	5.500	15-Apr-2027	208	206	
135	SM Energy Co.	6.750	15-Sep-2026	169	166	
150	Sonic Automotive Inc.	5.000	15-May-2023	197	187	
205	Sprint Capital Corp.	6.875	15-Nov-2028	263	265	
300	Sprint Nextel Corp.	6.000	15-Nov-2022	401	403	
320	T-Mobile USA Inc.	4.750	01-Feb-2028	399	397	
80	Targa Resources Partners LP	5.375	01-Feb-2027	98	103	
155	Targa Resources Partners LP	5.000	15-Jan-2028	198	192	
205	Tempur Sealy International Inc.	5.500	15-Jun-2026	263	257	
175	Tenet Healthcare Corp.	4.625	15-Jul-2024	218	223	
130	The AES Corp.	4.500	15-Mar-2023	167	174	
50	The AES Corp.	4.875	15-May-2023	65	67	
45	The EW Scripps Co.	5.125	15-May-2025	58	57	
205	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	264	253	
200	Toll Brothers Finance Corp.	4.875	15-Mar-2027	260	248	
100	Toll Brothers Finance Corp.	4.350	15-Feb-2028	116	117	
210	Unit Corp.	6.625	15-May-2021	266	262	
150	United Rentals North America Inc.	5.875	15-Sep-2026	196	194	
225	Universal Health Services Inc.	4.750	01-Aug-2022	308	306	
50	Universal Health Services Inc.	5.000	01-Jun-2026	64	67	
190	Valvoline Inc.	5.500	15-Jul-2024	255	254	
170	Vistra Operations Co. LLC	5.500	01-Sep-2026	223	224	
280	Western Digital Corp.	4.750	15-Feb-2026	348	333	
230	WPX Energy Inc.	6.000	15-Jan-2022	302	307	
145	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	184	174	
TOTAL UNITED STATES BONDS				25 535	22 703	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FOREIGN BONDS						
265	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	\$ 341	\$ 279	
200	Altice Financing S.A. USD	6.625	15-Feb-2023	255	263	
255	ArcelorMittal USD	8.000	15-Oct-2039	386	368	
200	Dana Financing Luxembourg S.a.r.l. USD	5.750	15-Apr-2025	266	256	
155	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	202	195	
200	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	258	260	
TOTAL FOREIGN BONDS				1 708	1 621	—
TOTAL BONDS				3 747 155	3 784 063	52.3
SHORT-TERM INVESTMENTS†				158 944	158 944	2.2
TOTAL INVESTMENTS				6 715 515	7 220 870	99.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	529	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(7 000)	(0.1)
TOTAL PORTFOLIO				\$ 6 715 515	7 214 399	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					20 719	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 7 235 118	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 65 Sold USD 47 @ 1.3657	03-Jan-2019	\$ —
Bought USD 1 850 Sold CAD 2 403 @ 0.7700	14-Jan-2019	123
Bought USD 1 200 Sold CAD 1 608 @ 0.7462	14-Jan-2019	29
Bought USD 2 000 Sold CAD 2 644 @ 0.7565	23-Jan-2019	85
Bought USD 800 Sold CAD 1 048 @ 0.7632	04-Feb-2019	43
Bought CAD 41 Sold USD 30 @ 1.3526	08-Feb-2019	—
Bought USD 396 Sold CAD 519 @ 0.7627	08-Feb-2019	21
Bought USD 2 300 Sold CAD 3 118 @ 0.7376	11-Feb-2019	18
Bought CAD 8 Sold USD 6 @ 1.3089	12-Feb-2019	—
Bought USD 2 000 Sold CAD 2 639 @ 0.7578	13-Feb-2019	88
Bought USD 2 000 Sold CAD 2 716 @ 0.7364	04-Mar-2019	10
Bought USD 1 450 Sold CAD 1 939 @ 0.7478	19-Mar-2019	37
Bought USD 2 075 Sold CAD 2 790 @ 0.7438	19-Mar-2019	38
Bought USD 3 000 Sold CAD 4 051 @ 0.7405	19-Mar-2019	37
		\$ 529

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 26 Sold USD 20 @ 1.3192	11-Jan-2019	\$ (1)
Bought CAD 9 120 Sold USD 7 141 @ 1.2771	14-Jan-2019	(626)
Bought CAD 21 Sold USD 16 @ 1.3106	15-Jan-2019	(1)
Bought CAD 260 Sold USD 200 @ 1.2980	16-Jan-2019	(13)
Bought CAD 98 Sold USD 75 @ 1.3086	16-Jan-2019	(4)
Bought CAD 11 330 Sold USD 8 705 @ 1.3016	22-Jan-2019	(547)
Bought CAD 2 701 Sold USD 2 095 @ 1.2891	23-Jan-2019	(158)
Bought CAD 2 877 Sold USD 2 200 @ 1.3078	23-Jan-2019	(124)
Bought CAD 1 467 Sold USD 1 124 @ 1.3054	24-Jan-2019	(66)
Bought CAD 1 305 Sold USD 1 000 @ 1.3053	24-Jan-2019	(59)
Bought CAD 371 Sold USD 287 @ 1.2930	25-Jan-2019	(20)
Bought CAD 275 Sold USD 212 @ 1.2981	25-Jan-2019	(14)
Bought CAD 469 Sold USD 364 @ 1.2895	28-Jan-2019	(27)
Bought CAD 77 Sold GBP 45 @ 1.7143	28-Jan-2019	(1)
Bought CAD 2 993 Sold USD 2 290 @ 1.3068	28-Jan-2019	(131)
Bought CAD 245 Sold USD 187 @ 1.3110	28-Jan-2019	(10)
Bought CAD 9 436 Sold USD 7 216 @ 1.3077	29-Jan-2019	(407)
Bought CAD 1 213 Sold USD 937 @ 1.2943	30-Jan-2019	(65)
Bought CAD 586 Sold USD 448 @ 1.3076	31-Jan-2019	(25)
Bought CAD 2 849 Sold USD 2 182 @ 1.3055	04-Feb-2019	(127)
Bought CAD 23 007 Sold USD 17 565 @ 1.3098	05-Feb-2019	(951)
Bought CAD 1 877 Sold USD 1 405 @ 1.3363	06-Feb-2019	(39)
Bought CAD 23 248 Sold USD 17 741 @ 1.3104	07-Feb-2019	(948)
Bought CAD 6 579 Sold USD 5 008 @ 1.3137	08-Feb-2019	(251)
Bought CAD 104 Sold USD 79 @ 1.3158	08-Feb-2019	(4)
Bought CAD 65 Sold USD 48 @ 1.3521	08-Feb-2019	(1)
Bought CAD 4 208 Sold USD 3 221 @ 1.3065	11-Feb-2019	(184)
Bought CAD 6 201 Sold USD 4 738 @ 1.3089	12-Feb-2019	(261)
Bought CAD 1 678 Sold USD 1 282 @ 1.3086	14-Feb-2019	(71)
Bought CAD 565 Sold USD 423 @ 1.3358	19-Feb-2019	(12)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 5 410 Sold USD 4 082 @ 1.3253	20-Feb-2019	\$ (157)
Bought CAD 1 973 Sold USD 1 500 @ 1.3155	22-Feb-2019	(72)
Bought CAD 981 Sold USD 740 @ 1.3253	26-Feb-2019	(28)
Bought CAD 1 755 Sold USD 1 330 @ 1.3198	27-Feb-2019	(58)
Bought CAD 279 Sold USD 211 @ 1.3221	01-Mar-2019	(9)
Bought CAD 178 Sold GBP 105 @ 1.6948	01-Mar-2019	(5)
Bought CAD 28 110 Sold USD 21 175 @ 1.3275	04-Mar-2019	(755)
Bought CAD 495 Sold USD 373 @ 1.3271	07-Mar-2019	(13)
Bought CAD 2 540 Sold USD 1 913 @ 1.3276	11-Mar-2019	(68)
Bought CAD 10 224 Sold USD 7 743 @ 1.3204	12-Mar-2019	(329)
Bought CAD 5 091 Sold USD 3 814 @ 1.3348	14-Mar-2019	(107)
Bought CAD 4 041 Sold USD 3 005 @ 1.3449	15-Mar-2019	(54)
Bought CAD 125 Sold GBP 74 @ 1.6941	18-Mar-2019	(4)
Bought CAD 1 304 Sold USD 975 @ 1.3378	19-Mar-2019	(24)
Bought CAD 1 686 Sold USD 1 266 @ 1.3318	20-Mar-2019	(39)
Bought CAD 2 498 Sold USD 1 863 @ 1.3406	21-Mar-2019	(41)
Bought CAD 3 874 Sold USD 2 899 @ 1.3362	22-Mar-2019	(77)
Bought CAD 1 176 Sold USD 872 @ 1.3486	25-Mar-2019	(12)
		<u>\$ (7 000)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (6 471)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.54% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 7 220 870	\$ 8 241 935
Cash	2 146	3 704
Due from investment dealers	—	6 541
Subscriptions receivable	858	1 455
Unrealized gain on foreign exchange contracts	529	3 029
Dividends receivable, interest accrued and other assets	33 504	35 017
TOTAL ASSETS	7 257 907	8 291 681
LIABILITIES		
Redemptions payable	3 770	3 406
Unrealized loss on foreign exchange contracts	7 000	1 877
Distributions payable	5 453	5 321
Accounts payable and accrued expenses	6 566	7 587
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	22 789	18 191
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 7 235 118	\$ 8 273 490
Investments at cost	\$ 6 715 515	\$ 7 223 021
NAV		
SERIES A	\$ 5 767 707	\$ 6 882 249
ADVISOR SERIES	\$ 52 140	\$ 60 990
SERIES D	\$ 158 211	\$ 175 640
SERIES F	\$ 744 168	\$ 565 502
SERIES O	\$ 512 892	\$ 589 109
NAV PER UNIT		
SERIES A	\$ 13.52	\$ 14.48
ADVISOR SERIES	\$ 13.69	\$ 14.65
SERIES D	\$ 14.13	\$ 15.08
SERIES F	\$ 14.92	\$ 15.90
SERIES O	\$ 15.75	\$ 16.66

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 97 478	\$ 100 767
Interest for distribution purposes	141 947	142 875
Income from investment trusts	37 696	29 468
Derivative income	(5 552)	9 219
Net realized gain (loss) on investments	94 745	178 753
Change in unrealized gain (loss) on investments	(521 182)	62 962
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(154 868)	524 044
Securities lending revenue (see note 7 in the generic notes)	840	829
Net gain (loss) on foreign cash balances	(242)	(78)
TOTAL OTHER INCOME (LOSS)	598	751
TOTAL INCOME (LOSS)	(154 270)	524 795
EXPENSES (see notes – Fund Specific Information)		
Management fees	69 295	74 305
Administration fees	6 267	6 732
Independent Review Committee costs	2	3
GST/HST	7 476	8 005
Transaction costs	884	1 954
Withholding tax	30	360
TOTAL EXPENSES	83 954	91 359
INCREASE (DECREASE) IN NAV	\$ (238 224)	\$ 433 436
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (202 057)	\$ 359 413
ADVISOR SERIES	\$ (1 786)	\$ 3 149
SERIES D	\$ (4 882)	\$ 9 508
SERIES F	\$ (18 734)	\$ 23 979
SERIES O	\$ (10 765)	\$ 37 387
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.45)	\$ 0.74
ADVISOR SERIES	\$ (0.44)	\$ 0.76
SERIES D	\$ (0.42)	\$ 0.81
SERIES F	\$ (0.42)	\$ 0.92
SERIES O	\$ (0.32)	\$ 1.04



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (238 224)	\$ 433 436
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(35 405)	(26 325)
Net realized loss (gain) on investments	(93 630)	(175 804)
Change in unrealized loss (gain) on investments	521 182	(62 962)
(Increase) decrease in accrued receivables	1 513	1 200
Increase (decrease) in accrued payables	(1 021)	(139)
(Increase) decrease in margin accounts	—	529
Cost of investments purchased	(3 091 015)	(5 393 854)
Proceeds from sale and maturity of investments	3 734 097	5 499 070
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	797 497	275 151
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	382 854	761 357
Cash paid on redemption of redeemable units	(1 116 408)	(975 275)
Distributions paid to holders of redeemable units	(65 501)	(62 161)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (799 055)	\$ (276 079)
Net increase (decrease) in cash for the period	(1 558)	(928)
Cash (bank overdraft), beginning of period	3 704	4 632
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 146	\$ 3 704
Interest received (paid)	\$ 143 837	\$ 142 977
Dividends received, net of withholding taxes	\$ 97 098	\$ 101 506



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 882 249	\$ 7 044 014	\$ 60 990	\$ 62 451	\$ 175 640	\$ 169 877	\$ 565 502	\$ 253 543
INCREASE (DECREASE) IN NAV	(202 057)	359 413	(1 786)	3 149	(4 882)	9 508	(18 734)	23 979
Early redemption fees	1	1	—	—	1	—	—	—
Proceeds from redeemable units issued	307 989	633 950	5 649	9 401	21 498	24 235	323 150	371 680
Reinvestments of distributions to holders of redeemable units	178 184	195 149	1 314	1 329	4 884	4 813	11 170	6 110
Redemption of redeemable units	(1 170 962)	(1 102 335)	(11 986)	(13 239)	(32 850)	(26 846)	(111 947)	(76 164)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(684 788)	(273 235)	(5 023)	(2 509)	(6 467)	2 202	222 373	301 626
Distributions from net income	(139 692)	(150 824)	(1 252)	(1 278)	(3 730)	(3 618)	(15 321)	(8 301)
Distributions from net gains	(12 683)	(65 333)	(114)	(554)	(339)	(1 567)	(1 391)	(3 596)
Distributions from capital	(75 322)	(31 786)	(675)	(269)	(2 011)	(762)	(8 261)	(1 749)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(227 697)	(247 943)	(2 041)	(2 101)	(6 080)	(5 947)	(24 973)	(13 646)
NET INCREASE (DECREASE) IN NAV	(1 114 542)	(161 765)	(8 850)	(1 461)	(17 429)	5 763	178 666	311 959
NAV AT END OF PERIOD	\$ 5 767 707	\$ 6 882 249	\$ 52 140	\$ 60 990	\$ 158 211	\$ 175 640	\$ 744 168	\$ 565 502

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 589 109	\$ 588 353	\$ 8 273 490	\$ 8 118 238
INCREASE (DECREASE) IN NAV	(10 765)	37 387	(238 224)	433 436
Early redemption fees	—	—	2	1
Proceeds from redeemable units issued	19 977	12 836	678 263	1 052 102
Reinvestments of distributions to holders of redeemable units	19 277	18 091	214 829	225 492
Redemption of redeemable units	(85 035)	(49 197)	(1 412 780)	(1 267 781)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(45 781)	(18 270)	(519 686)	9 814
Distributions from net income	(12 068)	(11 169)	(172 063)	(175 190)
Distributions from net gains	(1 096)	(4 838)	(15 623)	(75 888)
Distributions from capital	(6 507)	(2 354)	(92 776)	(36 920)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(19 671)	(18 361)	(280 462)	(287 998)
NET INCREASE (DECREASE) IN NAV	(76 217)	756	(1 038 372)	155 252
NAV AT END OF PERIOD	\$ 512 892	\$ 589 109	\$ 7 235 118	\$ 8 273 490

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 49.1% (December 31, 2017 – 50.5%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	16.2	20.1
AA	51.9	47.3
A	16.4	18.8
BBB	14.9	12.4
BB	0.3	0.6
B	0.3	0.8
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds	52.0	49.8
Equities	35.6	38.5
Income Trusts	9.7	–
Foreign Bonds	0.3	0.7
Underlying Funds	–	8.2
Cash/Other	2.4	2.8
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 52.3% (December 31, 2017 – 50.6%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.7	3.3
1 – 5 years	41.3	38.2
5 – 10 years	20.0	23.7
> 10 years	36.0	34.8
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.9% (December 31, 2017 – 3.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	6.5	–
Total	6.5	–

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.3% (December 31, 2017 – n/a). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 640 836	–	–	2 640 836
Underlying funds	637 027	–	–	637 027
Fixed-income				
and debt securities	–	3 784 063	–	3 784 063
Short-term investments	–	158 944	–	158 944
Derivatives – assets	–	529	–	529
Derivatives – liabilities	–	(7 000)	–	(7 000)
Total financial instruments	3 277 863	3 936 536	–	7 214 399
% of total portfolio	45.4	54.6	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	3 247 468	18 796	–	3 266 264
Underlying funds	602 841	–	–	602 841
Fixed-income and debt securities	–	4 179 962	–	4 179 962
Short-term investments	–	192 868	–	192 868
Derivatives – assets	–	3 029	–	3 029
Derivatives – liabilities	–	(1 877)	–	(1 877)
Total financial instruments	3 850 309	4 392 778	–	8 243 087
% of total portfolio	46.7	53.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.00%	0.09%
Advisor Series	1.00%	0.05%
Series D	0.75%	0.05%
Series F	0.60%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets Foreign Exchange Fund	0.4	2.8	–	–
RBC U.S. Dividend Fund	8.4	15.1	7.2	14.8

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

Please see the generic notes at the back of the financial statements.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital High Yield Bond SPDR Fund	–	–	0.1	–
iShares iBoxx \$ High Yield Corporate Bond Fund	–	–	0.1	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	475 151	494 218
Issued number of units	21 784	44 130
Reinvested number of units	12 669	13 617
Redeemed number of units	(83 029)	(76 814)
Ending number of units	426 575	475 151
Advisor Series		
Opening units	4 162	4 334
Issued number of units	391	649
Reinvested number of units	92	92
Redeemed number of units	(837)	(913)
Ending number of units	3 808	4 162
Series D		
Opening units	11 647	11 500
Issued number of units	1 465	1 625
Reinvested number of units	333	323
Redeemed number of units	(2 245)	(1 801)
Ending number of units	11 200	11 647
Series F		
Opening units	35 574	16 337
Issued number of units	20 813	23 685
Reinvested number of units	722	389
Redeemed number of units	(7 217)	(4 837)
Ending number of units	49 892	35 574
Series O		
Opening units	35 358	36 469
Issued number of units	1 235	786
Reinvested number of units	1 184	1 106
Redeemed number of units	(5 205)	(3 003)
Ending number of units	32 572	35 358



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	884	100	1 954	100
Related-party brokerage commissions*	200	23	247	13
Commission arrangements†	220	25	118	6

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	1 036 958		1 051 228	
Fair value of collateral received	1 060 121		1 072 675	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 196	100	1 232	100
RBC IS (paid)	(299)	(25)	(337)	(27)
Tax withheld	(57)	(5)	(66)	(5)
Fund revenue	840	70	829	68

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Managed Payout Solution	6.8	7.0

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	529	(7 000)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	529	(7 000)
Related amounts not set-off	(529)	529
Collateral (received) pledged	–	1 532
Net amount	–	(4 939)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	3 029	(1 877)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	3 029	(1 877)
Related amounts not set-off	(1 384)	1 384
Collateral (received) pledged	–	–
Net amount	1 645	(493)



SCHEDULE OF INVESTMENT PORTFOLIO (in USD000s)
RBC U.S. MONTHLY INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
173 600	AT&T Inc.	\$ 5 473	\$ 4 955	
169 500	Comcast Corp., Class A	5 800	5 771	
62 200	The Walt Disney Company	6 953	6 821	
		18 226	17 547	1.4
Consumer Discretionary				
41 800	Dollar General Corp.	3 580	4 519	
44 300	Home Depot Inc.	6 288	7 615	
47 000	Lowe's Companies	4 436	4 341	
43 800	McDonald's Corp.	5 009	7 778	
24 100	Ross Stores Inc.	2 075	2 005	
29 100	Starbucks Corp.	1 939	1 875	
53 600	Target Corporation	4 227	3 542	
116 300	TJX Companies Inc.	5 080	5 203	
		32 634	36 878	3.0
Consumer Staples				
146 800	Altria Group Inc.	8 636	7 250	
108 500	Mondelez International Inc.	4 483	4 343	
62 300	PepsiCo Inc.	6 511	6 883	
145 100	Philip Morris International Inc.	12 526	9 687	
136 800	The Coca-Cola Co.	6 563	6 477	
74 000	The Procter & Gamble Co.	6 442	6 804	
21 100	Walgreens Boots Alliance Inc.	1 539	1 443	
56 500	Walmart Inc.	5 022	5 263	
		51 722	48 150	3.9
Energy				
61 400	Chevron Corp.	5 946	6 681	
82 200	ConocoPhillips	4 423	5 125	
71 000	Exxon Mobil Corp.	5 762	4 843	
42 400	Marathon Petroleum Corp.	2 909	2 502	
29 500	Phillips 66 Company	3 300	2 541	
		22 340	21 692	1.7
Financials				
535 350	Bank of America Corp.	10 771	13 204	
31 900	CME Group Inc., Class A	5 277	6 001	
126 700	JPMorgan Chase & Co.	6 992	12 382	
100 500	MetLife Inc.	4 272	4 127	
44 800	PNC Bank Corp.	5 844	5 236	
40 300	Prudential Financial Inc.	4 033	3 286	
43 500	The Progressive Corp.	3 002	2 624	
55 700	Wells Fargo & Company	2 991	2 567	
		43 182	49 427	4.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
63 200	Abbott Laboratories	\$ 3 814	\$ 4 571	
57 800	AbbVie Inc.	4 929	5 329	
15 600	Amgen Inc.	2 680	3 039	
29 400	Anthem Inc.	7 272	7 721	
53 900	Baxter International Inc.	3 746	3 549	
11 900	Becton Dickinson & Co.	2 908	2 681	
103 700	Bristol-Myers Squibb Co.	5 294	5 389	
148 591	CVS Health Corp.	10 646	9 736	
22 500	Eli Lilly & Co.	1 926	2 604	
78 400	Johnson & Johnson	8 759	10 119	
69 200	Medtronic Plc.	5 444	6 295	
128 200	Merck & Co. Inc.	7 388	9 803	
193 400	Pfizer Inc.	7 190	8 442	
47 400	UnitedHealth Group Incorporated	5 685	11 811	
		77 681	91 089	7.3
Industrials				
32 300	Boeing Co.	7 909	10 417	
13 800	Caterpillar Inc.	1 722	1 753	
39 900	CSX Corp.	2 740	2 479	
59 900	Delta Air Lines Inc.	3 510	2 989	
47 500	Eaton Corp Plc.	3 669	3 261	
38 200	Honeywell International Inc.	4 882	5 047	
42 800	Ingersoll-Rand Plc., Class A	4 354	3 903	
11 900	Lockheed Martin Corporation	3 528	3 116	
20 300	Raytheon Company	3 566	3 113	
52 600	Union Pacific Corp.	6 957	7 271	
19 500	United Technologies Corp.	2 572	2 076	
		45 409	45 425	3.6
Information Technology				
110 800	Apple Inc.	15 747	17 499	
22 900	Applied Materials Inc.	817	750	
57 800	Broadcom Inc.	11 936	14 697	
362 200	Cisco Systems Inc.	11 254	15 721	
233 100	HP Inc.	5 496	4 769	
237 850	Intel Corp.	10 737	11 171	
43 700	International Business Machines	5 277	4 965	
3 700	Lam Research Corp.	544	504	
28 200	Mastercard Inc.	5 660	5 320	
259 124	Microsoft Corp.	13 574	26 344	
141 800	Texas Instruments Inc.	11 866	13 400	
51 700	Visa Inc., Class A	7 286	6 824	
		100 194	121 964	9.8
Materials				
31 900	Air Products & Chemicals Inc.	5 076	5 107	
29 500	LyondellBasell Industries N.V.	2 791	2 454	
		7 867	7 561	0.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
55 900	Crown Castle International Corp. Real Estate Investment Trust	\$ 6 018	\$ 6 073	
23 300	Extra Space Storage Inc. Real Estate Investment Trust	2 171	2 108	
36 700	Simon Property Group Inc.	6 508	6 166	
		14 697	14 347	1.1
Utilities				
23 200	Ameren Corporation	1 518	1 513	
42 900	American Electric Power	3 035	3 206	
36 900	Dominion Energy Inc.	2 721	2 638	
28 100	Duke Energy Corp.	2 206	2 425	
45 500	Eversource Energy	2 708	2 959	
64 800	Exelon Corp.	2 620	2 922	
66 000	FirstEnergy Corporation	2 572	2 477	
34 000	NextEra Energy Inc.	3 676	5 911	
34 400	WEC Energy Group Inc.	2 553	2 382	
		23 609	26 433	2.1
TOTAL COMMON EQUITIES		437 561	480 513	38.5
UNDERLYING FUNDS				
217 700	iShares Dow Jones US Real Estate Index Fund	16 925	16 314	
3 789 488	RBC \$U.S. High Yield Bond Fund*	36 513	33 349	
4 009 606	RBC Emerging Markets Bond Fund*	37 581	32 969	
TOTAL UNDERLYING FUNDS		91 019	82 632	6.6

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
Australia						
698	Barrick PD Australia Finance Pty Ltd. USD	5.950	15-Oct-2039	\$ 788	\$ 746	
500	Commonwealth Bank of Australia USD	2.850	18-May-2026	484	467	
				1 272	1 213	0.1
Canada						
600	Alimentation Couche-Tard Inc. USD	2.700	26-Jul-2022	602	579	
600	Alimentation Couche-Tard Inc. USD	3.550	26-Jul-2027	602	562	
1 000	Bank of Montreal USD	2.375	25-Jan-2019	1 009	1 000	
1 000	Bank of Nova Scotia USD	2.050	05-Jun-2019	993	996	
1 000	Bank of Nova Scotia USD	2.450	19-Sep-2022	998	966	
200	Canadian Imperial Bank of Commerce USD	3.500	13-Sep-2023	200	200	
1 525	Canadian Pacific Railway Co. USD	4.450	15-Mar-2023	1 665	1 588	
1 000	Enbridge Inc. USD	4.500	10-Jun-2044	883	932	
400	Goldcorp Inc. USD	3.625	09-Jun-2021	411	398	
650	Goldcorp Inc. USD	3.700	15-Mar-2023	653	646	
410	Nutrien Ltd. USD	3.150	01-Oct-2022	413	396	
1 000	Nutrien Ltd. USD	3.000	01-Apr-2025	981	927	
100	Rogers Communications Inc. USD	7.500	15-Aug-2038	138	133	
1 000	Royal Bank of Canada*	3.700	05-Oct-2023	998	1 005	
250	Thomson Reuters Corp. USD	3.350	15-May-2026	245	232	
750	Thomson Reuters Corp. USD	5.500	15-Aug-2035	837	774	
1 500	Toronto-Dominion Bank USD	2.250	05-Nov-2019	1 497	1 492	
1 000	Toronto-Dominion Bank USD	3.500	19-Jul-2023	999	1 007	
750	TransCanada PipeLines Ltd. USD	3.800	01-Oct-2020	718	755	
500	TransCanada PipeLines Ltd. USD	6.100	01-Jun-2040	620	557	
				15 462	15 145	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
France						
1 000	BPCE S.A. USD	5.150	21-Jul-2024	\$ 998	\$ 1 005	
100	Orange S.A. USD	2.750	06-Feb-2019	102	100	
500	Orange S.A. USD	4.125	14-Sep-2021	535	510	
1 400	Total Capital International S.A. USD	2.700	25-Jan-2023	1 410	1 368	
				3 045	2 983	0.2
Germany						
500	Deutsche Telekom International Finance BV USD	6.000	08-Jul-2019	584	507	
1 000	Siemens Financieringsmaatschappij N.V. USD	3.250	27-May-2025	985	981	
				1 569	1 488	0.1
Luxembourg						
600	Schlumberger Investment S.A. USD	3.650	01-Dec-2023	645	603	
				645	603	0.1
Netherlands						
500	ING Groep N.V. USD	3.150	29-Mar-2022	513	492	
250	LYB International Finance BV USD	4.875	15-Mar-2044	253	228	
1 450	Shell International Finance BV USD	6.375	15-Dec-2038	1 869	1 843	
				2 635	2 563	0.2
Switzerland						
350	Novartis Capital Corp. USD	2.400	21-Sep-2022	356	342	
350	Novartis Capital Corp. USD	3.100	17-May-2027	360	339	
250	Novartis Capital Corp. USD	4.400	06-May-2044	282	268	
1 500	Tyco Electronics Group S.A. USD	3.700	15-Feb-2026	1 547	1 461	
500	UBS AG USD	2.350	26-Mar-2020	504	495	
				3 049	2 905	0.2
United Kingdom						
750	BP Capital Markets Plc. USD	3.814	10-Feb-2024	761	758	
500	Diageo Capital Plc. USD	2.625	29-Apr-2023	476	485	
500	Diageo Investment Corp. USD	2.875	11-May-2022	504	495	
800	Diageo Investment Corp. USD	4.250	11-May-2042	810	815	
1 500	HSBC Holdings Plc. USD	5.100	05-Apr-2021	1 691	1 552	
1 000	Lloyds Banking Group Plc. USD	3.000	11-Jan-2022	1 011	968	
1 000	Vodafone Group Plc. USD	2.500	26-Sep-2022	958	961	
				6 211	6 034	0.5
United States						
505	Abbott Laboratories	2.900	30-Nov-2021	514	500	
280	Abbott Laboratories	3.400	30-Nov-2023	288	279	
500	AbbVie Inc.	2.500	14-May-2020	499	496	
500	AbbVie Inc.	2.900	06-Nov-2022	497	488	
300	AbbVie Inc.	4.500	14-May-2035	305	280	
370	Alabama Power Co.	4.150	15-Aug-2044	413	364	
2 000	Altria Group Inc.	4.000	31-Jan-2024	2 048	1 969	
1 000	Amazon.com Inc.	3.150	22-Aug-2027	1 000	968	
100	Amazon.com Inc.	4.050	22-Aug-2047	99	99	
700	American Electric Power Co. Inc.	2.950	15-Dec-2022	655	688	
1 500	American Express Co.	2.650	02-Dec-2022	1 451	1 453	
1 000	American Honda Finance Corp.	2.900	16-Feb-2024	1 018	970	
1 500	American International Group Inc.	4.875	01-Jun-2022	1 674	1 558	
1 750	AmerisourceBergen Corp.	3.400	15-May-2024	1 760	1 710	
250	Anheuser-Busch InBev Finance Inc.	2.625	17-Jan-2023	239	238	
700	Anheuser-Busch InBev Worldwide Inc.	3.650	01-Feb-2026	687	662	
875	Anheuser-Busch InBev Worldwide Inc.	4.000	13-Apr-2028	877	839	
930	Anheuser-Busch InBev Worldwide Inc.	6.375	15-Jan-2040	1 315	1 028	
399	Apache Corp.	3.625	01-Feb-2021	413	399	
2 000	Apple Inc.	3.850	04-Aug-2046	2 020	1 891	
425	Aptiv Plc.	4.400	01-Oct-2046	403	373	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 000	AT&T Inc.	2.300	11-Mar-2019	\$ 1 005	\$ 998	
2 000	AT&T Inc.	3.950	15-Jan-2025	2 090	1 959	
1 000	AT&T Inc.	6.500	01-Sep-2037	1 102	1 134	
500	AT&T Inc.	5.150	15-Mar-2042	544	469	
2 000	Bank of America Corp.	7.625	01-Jun-2019	2 425	2 036	
3 000	Bank of America Corp.	5.700	24-Jan-2022	3 456	3 181	
1 871	Bio-Rad Laboratories Inc.	4.875	15-Dec-2020	1 992	1 919	
1 500	BP Capital Markets America Inc.	2.750	10-May-2023	1 479	1 457	
475	Broadcom Corp.	3.625	15-Jan-2024	462	450	
50	Cardinal Health Inc.	2.400	15-Nov-2019	51	50	
1 000	Cardinal Health Inc.	3.500	15-Nov-2024	992	964	
500	Cardinal Health Inc.	4.500	15-Nov-2044	546	426	
1 500	Caterpillar Financial Services Corp.	1.700	09-Aug-2021	1 448	1 440	
200	Caterpillar Financial Services Corp.	2.400	09-Aug-2026	192	184	
350	Caterpillar Inc.	3.803	15-Aug-2042	344	327	
1 500	CC Holdings GS V LLC	3.849	15-Apr-2023	1 449	1 487	
1 025	Charter Communications Operating LLC	4.464	23-Jul-2022	1 076	1 036	
500	Charter Communications Operating LLC	4.908	23-Jul-2025	514	498	
1 250	Church & Dwight Co. Inc.	2.875	01-Oct-2022	1 232	1 230	
1 000	Church & Dwight Co Inc.	3.150	01-Aug-2027	934	943	
500	Cintas Corp. No. 2	2.900	01-Apr-2022	510	492	
500	Cintas Corp. No. 2	3.700	01-Apr-2027	491	489	
500	Cisco Systems Inc.	1.850	20-Sep-2021	488	486	
1 000	Cisco Systems Inc.	5.900	15-Feb-2039	1 281	1 237	
2 600	Citigroup Inc.	4.500	14-Jan-2022	2 757	2 658	
900	Citigroup Inc.	3.400	01-May-2026	922	848	
300	Columbia Pipeline Group Inc.	4.500	01-Jun-2025	327	303	
500	Comcast Corp.	3.450	01-Oct-2021	499	505	
1 000	Comcast Corp.	1.625	15-Jan-2022	961	957	
800	Comcast Corp.	7.050	15-Mar-2033	1 031	996	
175	ConocoPhillips Holding Co.	6.950	15-Apr-2029	229	217	
500	Consolidated Edison Company of New York Inc.	5.700	01-Feb-2034	591	569	
800	Constellation Brands Inc.	2.700	09-May-2022	806	773	
200	Constellation Brands Inc.	4.250	01-May-2023	215	202	
1 000	CSX Corp.	4.100	15-Mar-2044	897	932	
1 205	CVS Health Corp.	4.125	15-May-2021	1 280	1 220	
745	CVS Health Corp.	3.700	09-Mar-2023	741	738	
550	D.R. Horton Inc.	5.750	15-Aug-2023	602	579	
1 500	Delphi Corp.	4.150	15-Mar-2024	1 556	1 503	
1 000	Diamond 1 Finance Corp.	6.020	15-Jun-2026	1 012	1 006	
750	Diamond 1 Finance Corp.	8.100	15-Jul-2036	760	817	
300	Dominion Energy Inc.	2.000	15-Aug-2021	295	288	
500	Dominion Energy Inc.	4.050	15-Sep-2042	492	454	
2 000	Domtar Corp.	4.400	01-Apr-2022	2 063	2 011	
1 000	Enterprise Products Operating LLC	4.450	15-Feb-2043	921	912	
2 000	Everest Reinsurance Holdings Inc.	6.600	15-May-2037	2 062	1 765	
500	Exxon Mobil Corp.	2.726	01-Mar-2023	511	492	
1 000	Exxon Mobil Corp.	3.043	01-Mar-2026	1 023	977	
700	Exxon Mobil Corp.	4.114	01-Mar-2046	726	715	
1 210	Federal Realty Investment Trust	2.750	01-Jun-2023	1 099	1 166	
500	Fidelity National Information Services Inc.	4.500	15-Oct-2022	544	515	
500	Fidelity National Information Services Inc.	3.000	15-Aug-2026	493	461	
1 165	Flex Ltd. USD	4.625	15-Feb-2020	1 236	1 171	
1 200	Ford Motor Credit Co. LLC	2.375	12-Mar-2019	1 202	1 198	
1 000	GE Capital Corp.	5.875	14-Jan-2038	1 071	960	
1 400	General Mills Inc.	3.150	15-Dec-2021	1 409	1 390	
1 500	Georgia-Pacific LLC	5.400	01-Nov-2020	1 547	1 554	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 475	GlaxoSmithKline Capital Inc.	6.375	15-May-2038	\$ 1 970	\$ 1 859	
750	Halliburton Co.	6.700	15-Sep-2038	1 006	884	
397	Hasbro Inc.	6.350	15-Mar-2040	438	413	
2 250	Host Hotels & Resorts LP	4.000	15-Jun-2025	2 274	2 189	
1 950	ITC Holdings Corp.	3.250	30-Jun-2026	1 981	1 839	
750	John Deere Capital Corp.	1.950	04-Mar-2019	750	749	
600	John Deere Capital Corp.	2.650	10-Jun-2026	578	568	
500	Johnson & Johnson	3.700	01-Mar-2046	518	477	
500	Johnson & Johnson	3.750	03-Mar-2047	524	477	
500	Johnson Controls International Plc.	3.625	02-Jul-2024	500	493	
225	Johnson Controls International Plc.	4.625	02-Jul-2044	225	214	
3 000	JPMorgan Chase & Co.	2.550	01-Mar-2021	2 997	2 958	
2 000	JPMorgan Chase & Co.	4.500	24-Jan-2022	2 156	2 062	
1 500	JPMorgan Chase & Co.	6.400	15-May-2038	1 861	1 837	
500	Kimberly-Clark Corp.	2.750	15-Feb-2026	497	478	
1 500	Kinder Morgan Inc.	5.625	15-Nov-2023	1 644	1 589	
500	Kinder Morgan Inc.	5.200	01-Mar-2048	508	480	
1 300	KLA-Tencor Corp.	4.650	01-Nov-2024	1 345	1 334	
429	Kraft Heinz Foods Co.	2.800	02-Jul-2020	435	425	
200	Kraft Heinz Foods Co.	4.875	15-Feb-2025	210	201	
400	Lear Corp.	5.375	15-Mar-2024	404	411	
600	Lear Corp.	5.250	15-Jan-2025	632	617	
1 000	Liberty Mutual Group Inc.	5.000	01-Jun-2021	986	1 028	
750	Liberty Mutual Group Inc.	4.950	01-May-2022	809	774	
250	Liberty Mutual Group Inc.	4.250	15-Jun-2023	258	252	
1 000	Lincoln National Corp.	6.050	20-Apr-2067	1 025	782	
500	Lockheed Martin Corp.	2.500	23-Nov-2020	508	495	
1 000	Lockheed Martin Corp.	3.550	15-Jan-2026	1 024	994	
1 500	LyondellBasell Industries N.V.	5.750	15-Apr-2024	1 681	1 607	
650	Masco Corp.	4.375	01-Apr-2026	668	651	
1 200	McDonald's Corp.	6.300	15-Oct-2037	1 479	1 407	
500	Medtronic Inc.	2.500	15-Mar-2020	510	497	
234	Medtronic Inc.	4.375	15-Mar-2035	232	240	
1 000	Merck & Co. Inc.	3.700	10-Feb-2045	999	964	
2 000	MetLife Inc.	5.700	15-Jun-2035	2 435	2 257	
500	Microsoft Corp.	2.400	08-Aug-2026	479	468	
500	Microsoft Corp.	3.450	08-Aug-2036	490	475	
1 000	Microsoft Corp.	4.450	03-Nov-2045	1 141	1 065	
1 000	MidAmerican Energy Co.	6.750	30-Dec-2031	1 298	1 293	
500	MidAmerican Energy Co.	4.800	15-Sep-2043	586	549	
1 000	Mohawk Industries Inc.	3.850	01-Feb-2023	999	1 002	
1 500	Morgan Stanley	5.500	28-Jul-2021	1 696	1 572	
350	MPLX LP	4.875	01-Jun-2025	359	353	
1 000	Nestlé Holdings Inc.	4.000	24-Sep-2048	987	985	
1 100	NewMarket Corp.	4.100	15-Dec-2022	1 112	1 127	
1 000	NVIDIA Corp.	2.200	16-Sep-2021	978	978	
300	Oracle Corp.	1.900	15-Sep-2021	294	291	
1 000	Oracle Corp.	2.950	15-May-2025	996	958	
700	Oracle Corp.	2.650	15-Jul-2026	656	650	
1 550	Owens Corning	4.200	15-Dec-2022	1 531	1 540	
750	PepsiCo Inc.	2.750	01-Mar-2023	733	739	
750	PepsiCo Inc.	4.450	14-Apr-2046	785	786	
1 000	Pfizer Inc.	3.000	15-Dec-2026	1 013	967	
467	Pfizer Inc.	4.400	15-May-2044	520	488	
1 605	Pioneer Natural Resources Co.	3.450	15-Jan-2021	1 652	1 601	
1 000	Progress Energy Inc.	3.150	01-Apr-2022	1 016	986	
1 900	Progress Energy Inc.	6.000	01-Dec-2039	2 377	2 240	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
1 000	Quest Diagnostics Inc.	4.700	30-Mar-2045	\$ 997	\$ 960	
400	Raytheon Co.	2.500	15-Dec-2022	399	390	
1 200	Raytheon Co.	4.200	15-Dec-2044	1 241	1 223	
1 000	Regency Centers LP	4.800	15-Apr-2021	1 072	1 023	
750	Republic Services Inc.	5.250	15-Nov-2021	840	794	
1 000	Republic Services Inc.	4.750	15-May-2023	1 089	1 048	
1 200	Southern California Edison Co.	3.600	01-Feb-2045	1 144	1 033	
53	Sprint Spectrum Co. LLC	3.360	20-Sep-2021	53	53	
500	Starbucks Corp.	4.500	15-Nov-2048	490	468	
750	Target Corp.	3.500	01-Jul-2024	796	756	
1 500	The Dow Chemical Co.	8.550	15-May-2019	1 898	1 531	
1 250	The Goldman Sachs Group Inc.	5.750	24-Jan-2022	1 428	1 309	
500	The Walt Disney Co.	3.700	01-Dec-2042	476	464	
2 500	Thermo Fisher Scientific Inc.	2.950	19-Sep-2026	2 328	2 312	
1 577	Time Warner Cable Inc.	6.950	15-Jan-2028	2 033	1 834	
300	Time Warner Inc.	4.700	15-Jan-2021	322	308	
1 000	Toyota Motor Credit Corp.	3.400	15-Sep-2021	1 050	1 008	
500	Tyson Foods Inc.	4.500	15-Jun-2022	518	511	
500	Tyson Foods Inc.	5.150	15-Aug-2044	525	481	
1 000	Union Pacific Corp.	4.500	10-Sep-2048	1 024	991	
800	United Parcel Service Inc.	3.625	01-Oct-2042	745	718	
15 550	United States Treasury	1.125	30-Apr-2020	14 912	15 260	
42 060	United States Treasury	1.500	31-Jan-2022	40 972	40 872	
83 000	United States Treasury	1.750	15-May-2023	81 068	80 442	
10 000	United States Treasury	2.250	15-Nov-2024	10 020	9 831	
40 000	United States Treasury	2.000	15-Feb-2025	39 406	38 703	
40 200	United States Treasury	1.625	15-Feb-2026	37 045	37 643	
6 000	United States Treasury	2.375	15-May-2027	5 809	5 878	
30 700	United States Treasury	3.500	15-Feb-2039	33 281	33 626	
14 300	United States Treasury	2.500	15-Feb-2045	14 109	12 968	
1 000	United Technologies Corp.	8.875	15-Nov-2019	1 439	1 047	
1 000	United Technologies Corp.	1.950	01-Nov-2021	982	961	
1 000	Verizon Communications Inc.	1.750	15-Aug-2021	963	966	
1 250	Verizon Communications Inc.	5.150	15-Sep-2023	1 246	1 333	
1 750	Volkswagen Group of America Finance LLC	2.125	23-May-2019	1 750	1 742	
1 927	Walgreens Boots Alliance Inc.	3.300	18-Nov-2021	1 924	1 919	
1 000	Walmart Inc.	3.300	22-Apr-2024	1 055	1 004	
500	Walmart Inc.	4.050	29-Jun-2048	505	500	
500	Waste Management Inc.	3.900	01-Mar-2035	499	487	
500	Waste Management Inc.	4.100	01-Mar-2045	499	485	
1 000	Wells Fargo & Co.	2.500	04-Mar-2021	1 000	984	
1 500	Wells Fargo & Co.	4.600	01-Apr-2021	1 657	1 536	
2 000	Wells Fargo & Co.	3.000	22-Apr-2026	2 036	1 866	
1 100	Whirlpool Corp.	5.150	01-Mar-2043	1 123	1 035	
500	Williams Partners LP	4.850	01-Mar-2048	487	457	
				448 178	439 371	35.2
TOTAL BONDS				482 066	472 305	37.8
MORTGAGE-BACKED SECURITIES						
3	Fannie Mae Pool	5.000	01-Oct-2019	3	3	
10	Fannie Mae Pool	5.500	01-May-2021	10	11	
19	Fannie Mae Pool	5.000	01-May-2033	19	20	
12	Fannie Mae Pool	5.000	01-Jul-2033	12	13	
108	Fannie Mae Pool	5.000	01-Sep-2033	113	114	
42	Fannie Mae Pool	5.500	01-Oct-2033	42	45	
40	Fannie Mae Pool	5.500	01-Nov-2033	40	43	
124	Fannie Mae Pool	5.000	01-Aug-2034	129	131	
69	Fannie Mae Pool	6.500	01-Oct-2037	74	78	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
MORTGAGE-BACKED SECURITIES (cont.)						
1 047	Fannie Mae Pool	4.000	01-Aug-2040	\$ 1 063	\$ 1 078	
6 992	Fannie Mae Pool	4.000	01-Sep-2040	7 404	7 196	
2 086	Fannie Mae Pool	4.000	01-Oct-2040	2 206	2 146	
1 940	Fannie Mae Pool	4.000	01-Dec-2040	2 071	1 996	
2 259	Fannie Mae Pool	4.500	01-Dec-2040	2 421	2 368	
1 787	Fannie Mae Pool	4.500	01-May-2041	1 917	1 873	
6 012	Fannie Mae Pool	4.000	01-Dec-2041	6 422	6 187	
6 143	Fannie Mae Pool	4.000	01-Jan-2042	6 577	6 322	
2 463	Fannie Mae Pool	4.000	01-May-2044	2 619	2 520	
3 637	Fannie Mae Pool	4.000	01-Sep-2044	3 904	3 718	
2 040	Fannie Mae Pool	4.000	01-Oct-2044	2 188	2 086	
2 210	Fannie Mae Pool	4.000	01-Dec-2044	2 375	2 259	
6 710	Fannie Mae Pool	3.000	01-Apr-2045	6 740	6 589	
5 549	Fannie Mae Pool	3.000	01-May-2045	5 638	5 447	
12 485	Fannie Mae Pool	3.500	01-Nov-2045	12 736	12 534	
16 577	Fannie Mae Pool	4.000	01-Sep-2047	16 947	16 916	
8	Freddie Mac Gold Pool	5.000	01-May-2020	8	8	
5	Freddie Mac Gold Pool	5.500	01-Nov-2020	5	5	
7	Freddie Mac Gold Pool	5.000	01-Feb-2021	7	7	
7	Freddie Mac Gold Pool	5.500	01-Nov-2021	7	7	
13	Freddie Mac Gold Pool	5.500	01-Apr-2022	13	14	
79	Freddie Mac Gold Pool	4.500	01-Mar-2024	83	82	
20	Freddie Mac Gold Pool	5.500	01-Dec-2034	20	22	
128	Freddie Mac Gold Pool	5.000	01-Jan-2037	139	136	
256	Freddie Mac Gold Pool	4.500	01-Sep-2040	268	268	
1 437	Freddie Mac Gold Pool	4.000	01-Dec-2040	1 428	1 480	
1 407	Freddie Mac Gold Pool	4.500	01-Feb-2041	1 460	1 474	
1 283	Freddie Mac Gold Pool	4.000	01-Sep-2041	1 326	1 321	
3 485	Freddie Mac Gold Pool	3.500	01-Feb-2042	3 619	3 513	
3 738	Freddie Mac Gold Pool	3.500	01-Apr-2042	3 836	3 768	
2 497	Freddie Mac Gold Pool	3.000	01-Aug-2042	2 566	2 458	
3 031	Freddie Mac Gold Pool	3.500	01-Aug-2042	3 254	3 056	
8 428	Freddie Mac Gold Pool	4.000	01-Jun-2044	9 026	8 619	
2 439	Freddie Mac Gold Pool	4.000	01-Nov-2044	2 624	2 494	
4 396	Freddie Mac Gold Pool	4.000	01-Feb-2045	4 722	4 495	
3 963	Freddie Mac Gold Pool	3.000	01-Mar-2045	4 021	3 882	
8 339	Freddie Mac Gold Pool	3.000	01-May-2045	8 277	8 165	
9 272	Freddie Mac Gold Pool	3.000	01-Nov-2046	9 344	9 049	
11	Ginnie Mae I Pool	5.500	15-May-2033	11	12	
48	Ginnie Mae I Pool	5.000	15-Nov-2033	48	51	
46	Ginnie Mae I Pool	5.500	15-Nov-2034	46	49	
74	Ginnie Mae I Pool	5.000	15-Mar-2035	75	79	
3 344	Ginnie Mae II Pool	4.000	20-Sep-2045	3 583	3 442	
7 488	Ginnie Mae II Pool	3.000	20-Jul-2046	7 689	7 382	
7 283	Ginnie Mae II Pool	3.000	20-Aug-2046	7 411	7 179	
6 040	Ginnie Mae II Pool	4.500	20-Jul-2047	6 357	6 256	
TOTAL MORTGAGE-BACKED SECURITIES				164 943	160 466	12.9
SHORT-TERM INVESTMENTS[†]				49 573	49 573	4.0
TOTAL INVESTMENTS				\$ 1 225 162	1 245 489	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					2 184	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 247 673	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 245 489	\$ 1 342 732
Cash	109	1 022
Subscriptions receivable	982	2 182
Dividends receivable, interest accrued and other assets	4 824	4 474
TOTAL ASSETS	1 251 404	1 350 410
LIABILITIES		
Redemptions payable	1 405	787
Distributions payable	701	626
Accounts payable and accrued expenses	1 625	1 737
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 731	3 150
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 247 673	\$ 1 347 260
Investments at cost	\$ 1 225 162	\$ 1 221 853
NAV		
SERIES A	\$ 1 014 900	\$ 1 109 029
ADVISOR SERIES	\$ 42 238	\$ 52 781
SERIES D	\$ 38 143	\$ 41 897
SERIES F	\$ 99 358	\$ 86 396
SERIES I	\$ 51 337	\$ 57 157
SERIES O	\$ 1 697	\$ —
NAV PER UNIT		
SERIES A	\$ 9.96	\$ 10.72
ADVISOR SERIES	\$ 10.08	\$ 10.84
SERIES D	\$ 10.92	\$ 11.66
SERIES F	\$ 10.64	\$ 11.34
SERIES I	\$ 10.71	\$ 11.41
SERIES O	\$ 9.48	\$ —

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 14 368	\$ 14 353
Interest for distribution purposes	21 088	18 831
Income from investment trusts	4 706	3 581
Derivative income	(1)	12
Net realized gain (loss) on investments	37 266	33 118
Change in unrealized gain (loss) on investments	(100 552)	67 271
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(23 125)	137 166
Securities lending revenue (see note 7 in the generic notes)	208	101
Net gain (loss) on foreign cash balances	4	31
TOTAL OTHER INCOME (LOSS)	212	132
TOTAL INCOME (LOSS)	(22 913)	137 298
EXPENSES (see notes – Fund Specific Information)		
Management fees	17 340	15 694
Administration fees	1 217	1 099
Independent Review Committee costs	2	2
GST/HST	1 771	1 614
Transaction costs	694	513
Withholding tax	1 982	1 873
TOTAL EXPENSES	23 006	20 795
INCREASE (DECREASE) IN NAV	\$ (45 919)	\$ 116 503
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (39 113)	\$ 94 390
ADVISOR SERIES	\$ (1 587)	\$ 5 160
SERIES D	\$ (1 167)	\$ 3 902
SERIES F	\$ (2 662)	\$ 7 528
SERIES I	\$ (1 333)	\$ 5 523
SERIES O	\$ (57)	\$ —
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.37)	\$ 0.99
ADVISOR SERIES	\$ (0.35)	\$ 1.01
SERIES D	\$ (0.33)	\$ 1.16
SERIES F	\$ (0.30)	\$ 1.14
SERIES I	\$ (0.26)	\$ 1.17
SERIES O	\$ (1.49)	\$ —



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (45 919)	\$ 116 503
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(4 062)	(3 581)
Net realized loss (gain) on investments	(36 577)	(32 684)
Change in unrealized loss (gain) on investments	100 552	(67 271)
(Increase) decrease in accrued receivables	(350)	372
Increase (decrease) in accrued payables	(112)	365
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(11 862 787)	(12 733 806)
Proceeds from sale and maturity of investments	11 900 117	12 550 827
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	50 862	(169 275)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	281 809	421 650
Cash paid on redemption of redeemable units	(324 343)	(244 238)
Distributions paid to holders of redeemable units	(9 241)	(7 274)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (51 775)	\$ 170 138
Net increase (decrease) in cash for the period	(913)	863
Cash (bank overdraft), beginning of period	1 022	159
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 109	\$ 1 022
Interest received (paid)	\$ 20 866	\$ 18 860
Dividends received, net of withholding taxes	\$ 12 259	\$ 12 822

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 109 029	\$ 866 573	\$ 52 781	\$ 53 113	\$ 41 897	\$ 33 225	\$ 86 396	\$ 50 021
INCREASE (DECREASE) IN NAV	(39 113)	94 390	(1 587)	5 160	(1 167)	3 902	(2 662)	7 528
Early redemption fees	3	—	—	—	—	—	1	—
Proceeds from redeemable units issued	227 583	355 537	5 861	9 460	11 962	15 555	54 634	70 261
Reinvestments of distributions to holders of redeemable units	33 672	25 482	1 336	1 289	1 218	966	2 311	1 385
Redemption of redeemable units	(275 864)	(202 017)	(14 412)	(14 588)	(14 294)	(10 590)	(37 736)	(40 572)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(14 606)	179 002	(7 215)	(3 839)	(1 114)	5 931	19 210	31 074
Distributions from net income	(14 380)	(13 513)	(622)	(722)	(525)	(507)	(1 271)	(973)
Distributions from net gains	(26 030)	(12 090)	(1 119)	(646)	(948)	(454)	(2 315)	(870)
Distributions from capital	—	(5 333)	—	(285)	—	(200)	—	(384)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(40 410)	(30 936)	(1 741)	(1 653)	(1 473)	(1 161)	(3 586)	(2 227)
NET INCREASE (DECREASE) IN NAV	(94 129)	242 456	(10 543)	(332)	(3 754)	8 672	12 962	36 375
NAV AT END OF PERIOD	\$ 1 014 900	\$ 1 109 029	\$ 42 238	\$ 52 781	\$ 38 143	\$ 41 897	\$ 99 358	\$ 86 396

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 57 157	\$ 54 070	\$ —	\$ —	\$ 1 347 260	\$ 1 057 002
INCREASE (DECREASE) IN NAV	(1 333)	5 523	(57)	—	(45 919)	116 503
Early redemption fees	—	—	—	—	4	—
Proceeds from redeemable units issued	8 306	8 299	2 103	—	310 449	459 112
Reinvestments of distributions to holders of redeemable units	1 462	1 098	—	—	39 999	30 220
Redemption of redeemable units	(12 162)	(10 276)	(337)	—	(354 805)	(278 043)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 394)	(879)	1 766	—	(4 353)	211 289
Distributions from net income	(751)	(680)	(2)	—	(17 551)	(16 395)
Distributions from net gains	(1 342)	(609)	(10)	—	(31 764)	(14 669)
Distributions from capital	—	(268)	—	—	—	(6 470)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 093)	(1 557)	(12)	—	(49 315)	(37 534)
NET INCREASE (DECREASE) IN NAV	(5 820)	3 087	1 697	—	(99 587)	290 258
NAV AT END OF PERIOD	\$ 51 337	\$ 57 157	\$ 1 697	\$ —	\$ 1 247 673	\$ 1 347 260

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

Series O units were started August 16, 2018.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide regular U.S. dollar monthly income and modest capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 51.9% (December 31, 2017 – 48.2%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	63.0	59.3
AA	4.9	4.4
A	9.1	12.8
BBB	15.8	20.3
BB	3.5	1.9
B	3.4	0.9
CCC	0.2	0.2
Unrated	0.1	0.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Equities	38.5	44.0
Bonds	37.8	33.3
Mortgage-Backed Securities	12.9	12.4
Cash/Other	10.8	10.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 50.7% (December 31, 2017 – 45.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	4.7	4.0
1 – 5 years	40.7	29.1
5 – 10 years	27.0	41.5
> 10 years	27.6	25.4
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.4% (December 31, 2017 – 4.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (USD)	+ or - 0.4	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (USD000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	480 513	–	–	480 513
Underlying funds	82 632	–	–	82 632
Fixed-income				
and debt securities	–	632 771	–	632 771
Short-term investments	–	49 573	–	49 573
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	563 145	682 344	–	1 245 489
% of total portfolio	45.2	54.8	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	559 278	—	—	559 278
Underlying funds	101 109	—	—	101 109
Fixed-income				
and debt securities	—	616 009	—	616 009
Short-term investments	—	66 336	—	66 336
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	660 387	682 345	—	1 342 732
% of total portfolio	49.2	50.8	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.40%	0.10%
Advisor Series	1.40%	0.05%
Series D	0.80%	0.05%
Series F	0.65%	0.05%
Series I	0.60%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (USD000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	127	122
Series I	124	119
Series O	102	—
Value of all units	4	3

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

Please see the generic notes at the back of the financial statements.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC \$U.S. High Yield				
Bond Fund	2.7	29.3	2.5	17.6
RBC Emerging Markets				
Bond Fund	2.6	4.0	2.6	4.1

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector				
SPDR Fund	—	—	0.9	—
iShares Dow Jones US Real				
Estate Index Fund	1.3	0.5	1.2	0.4
SPDR KBW Regional				
Banking Fund	—	—	0.4	0.1

Taxes (CAD000s) (see note 6 in the generic notes)

The Fund prepares its financial statements in U.S. dollars but is taxable on its income and net realized capital gains (including gains from foreign exchange movements) calculated on a Canadian dollar basis.

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	103 458	86 255
Issued number of units	21 603	34 184
Reinvested number of units	3 249	2 443
Redeemed number of units	(26 437)	(19 424)
Ending number of units	101 873	103 458

Advisor Series

Opening units	4 869	5 231
Issued number of units	555	903
Reinvested number of units	127	122
Redeemed number of units	(1 359)	(1 387)
Ending number of units	4 192	4 869



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	3 594	3 065
Issued number of units	1 044	1 379
Reinvested number of units	108	86
Redeemed number of units	(1 252)	(936)
Ending number of units	3 494	3 594
Series F		
Opening units	7 616	4 751
Issued number of units	4 905	6 409
Reinvested number of units	210	126
Redeemed number of units	(3 394)	(3 670)
Ending number of units	9 337	7 616
Series I		
Opening units	5 008	5 109
Issued number of units	743	745
Reinvested number of units	132	99
Redeemed number of units	(1 089)	(945)
Ending number of units	4 794	5 008
Series O		
Opening units	–	–
Issued number of units	213	–
Reinvested number of units	–	–
Redeemed number of units	(34)	–
Ending number of units	179	–

Transaction costs (USD000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	694	100	513	100
Related-party brokerage commissions*	80	12	33	6
Commission arrangements†	76	11	119	23

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (USD000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	391 989	259 993
Fair value of collateral received	399 829	265 193

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	281	100	145	100
RBC IS (paid)	(71)	(25)	(39)	(27)
Tax withheld	(2)	(1)	(5)	(3)
Fund revenue	208	74	101	70



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC BALANCED FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
499 524	BCE Inc.	\$ 18 592	\$ 26 939	
369 496	Quebecor Inc., Class B	5 824	10 619	
430 955	Rogers Communications Inc., Class B	14 912	30 150	
650 605	Shaw Communications Inc., Class B	15 081	16 076	
471 500	TELUS Corp.	13 763	21 335	
		68 172	105 119	2.1
Consumer Discretionary				
400 500	Aritzia Inc.	6 839	6 568	
24 900	Canadian Tire Corp. Ltd., Class A	2 628	3 554	
210 272	Dollarama Inc.	6 017	6 828	
102 177	Gildan Activewear Inc., Class A	2 056	4 234	
100 000	Great Canadian Gaming Corp.	4 987	4 787	
37 400	Linamar Corp.	1 302	1 694	
331 492	Magna International Inc., Class A	12 699	20 543	
133 100	Recipe Unlimited Corp.	3 893	3 483	
241 100	Restaurant Brands International Inc.	12 765	17 195	
		53 186	68 886	1.4
Consumer Staples				
420 389	Alimentation Couche-Tard Inc.	10 854	28 549	
94 556	George Weston Ltd.	7 914	8 515	
310 050	Loblaw Companies Ltd.	12 170	18 947	
142 460	Maple Leaf Foods Inc.	1 933	3 893	
213 200	Metro Inc., Class A	7 768	10 093	
291 800	Saputo Group Inc.	11 400	11 436	
		52 039	81 433	1.7
Energy				
610 235	ARC Resources Ltd.	12 679	4 943	
320 400	Cameco Corp.	3 866	4 960	
1 185 600	Canadian Natural Resources Ltd.	34 498	39 054	
437 198	Cenovus Energy Inc.	8 525	4 197	
1 644 516	Enbridge Inc.	72 002	69 744	
1 135 600	Encana Corp.	16 977	8 949	
193 000	Gibson Energy Inc.	3 918	3 605	
499 032	Husky Energy Inc.	13 380	7 041	
326 100	Imperial Oil Ltd.	14 854	11 280	
265 594	Keyera Corp.	8 012	6 855	
516 141	Pembina Pipeline Corp.	20 983	20 909	
558 592	PrairieSky Royalty Ltd.	17 123	9 870	
1 499 084	Suncor Energy Inc.	47 187	57 160	
794 775	TransCanada Corp.	34 664	38 745	
		308 668	287 312	5.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
545 091	Bank of Montreal	\$ 37 912	\$ 48 617	
1 198 070	Bank of Nova Scotia	69 182	81 529	
919 454	Brookfield Asset Management Inc., Class A	19 378	48 106	
355 797	Canadian Imperial Bank of Commerce	31 654	36 177	
1 399 200	Element Fleet Management Corp.	10 661	9 668	
35 518	Fairfax Financial Holdings Ltd.	19 600	21 346	
116 600	Industrial Alliance Insurance & Financial Services Inc.	6 254	5 080	
106 983	Intact Financial Corp.	7 563	10 612	
1 813 079	Manulife Financial Corporation	32 715	35 119	
204 600	National Bank of Canada	10 190	11 468	
191 655	Onex Corporation	6 618	14 250	
693 044	Power Corporation of Canada	16 194	17 000	
1 270 869	Royal Bank of Canada*	74 010	118 750	
579 975	Sun Life Financial Inc.	22 287	26 267	
1 545 823	Toronto-Dominion Bank	66 495	104 900	
		430 713	588 889	12.0
Health Care				
417 800	Chartwell Retirement Residences Real Estate Investment Trust	4 075	5 711	
		4 075	5 711	0.1
Industrials				
275 000	Air Canada	7 458	7 139	
3 805 055	Bombardier Inc., Class B	10 827	7 724	
152 583	Brookfield Business Partners LP	4 099	6 344	
134 876	CAE Inc.	1 533	3 384	
579 300	Canadian National Railway Co.	22 323	58 573	
138 887	Canadian Pacific Railway Ltd.	20 575	33 644	
85 100	Finning International Inc.	2 213	2 025	
330 556	SNC-Lavalin Group Inc.	13 654	15 179	
284 535	Thomson Reuters Corp.	8 114	18 759	
69 060	Toromont Industries Ltd.	1 119	3 747	
310 000	Transcontinental Inc., Class A	6 596	5 983	
126 018	Waste Connections Inc.	7 361	12 769	
152 200	Westshore Terminals Investment Corp.	3 360	3 132	
135 000	WSP Global Inc.	8 954	7 920	
		118 186	186 322	3.8
Information Technology				
419 950	BlackBerry Ltd.	5 101	4 078	
219 600	CGI Group Inc., Class A	8 208	18 337	
205 900	Descartes Systems Group Inc.	4 839	7 419	
61 200	Kinaxis Inc.	4 205	4 033	
344 276	Open Text Corp.	7 453	15 320	
79 350	Shopify Inc., Class A	8 983	14 980	
		38 789	64 167	1.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
217 440	Agnico Eagle Mines Ltd.	\$ 9 013	\$ 11 981	
271 271	Alamos Gold Inc., Class A	2 319	1 332	
1 520 644	B2Gold Corp.	5 167	6 067	
558 314	Barrick Gold Corp.	11 715	10 290	
2 500 000	Beretta Farms Inc.† (Private)	3 500	200	
179 600	CCL Industries, Class B	11 953	8 991	
297 690	Continental Gold Inc.	2 106	670	
238 200	Detour Gold Corp.	3 880	2 746	
201 690	Endeavour Mining Corp.	4 133	4 506	
709 100	First Quantum Minerals Ltd.	10 305	7 828	
99 255	Franco-Nevada Corp.	4 457	9 502	
426 530	Goldcorp Inc.	10 551	5 703	
317 463	IAMGOLD Corporation	2 454	1 590	
396 700	Kinross Gold Corp.	2 063	1 745	
373 000	Kirkland Lake Gold Ltd.	4 979	13 279	
549 686	Nutrien Ltd.	36 065	35 246	
633 300	OceanaGold Corp.	2 622	3 154	
710 600	Semafo Inc.	2 603	2 096	
496 900	Teck Resources Ltd., Class B	11 727	14 604	
243 572	Torex Gold Resources Inc.	3 554	3 164	
265 200	Wheaton Precious Metals Corp.	7 155	7 068	
		152 321	151 762	3.1
Real Estate				
261 054	Allied Properties Real Estate Investment Trust	8 927	11 570	
486 379	Brookfield Property Partners LP	9 853	10 710	
350 000	BSR Real Estate Investment Trust	4 478	3 823	
625 000	Choice Properties Real Estate Investment Trust	7 694	7 200	
443 400	First Capital Realty Inc.	8 454	8 358	
351 600	Tricon Capital Group Inc.	3 582	3 407	
273 000	WPT Industrial Real Estate Investment Trust	4 598	4 789	
		47 586	49 857	1.0
Utilities				
528 756	Algonquin Power & Utilities Corp.	5 773	7 260	
300 000	AltaGas Ltd.	4 714	4 170	
84 424	Atco Ltd., Class I, Non-Voting	1 241	3 260	
214 700	Brookfield Infrastructure Partners LP	11 004	10 123	
215 900	Emera Inc.	10 334	9 437	
321 656	Fortis Inc.	11 390	14 639	
1 389 900	TransAlta Corp.	9 925	7 770	
		54 381	56 659	1.2
TOTAL CANADIAN EQUITIES		1 328 116	1 646 117	33.5

Holdings	Security	Cost	Fair Value	% of Net Assets
FOREIGN EQUITIES				
UNITED STATES EQUITIES				
Communication Services				
10 500	Alphabet Inc., Class A	\$ 12 535	\$ 14 992	
126 700	AT&T Inc.	5 249	4 937	
7 700	Charter Communications Inc.	3 096	2 997	
70 300	Comcast Corp., Class A	3 194	3 268	
44 800	Facebook Inc., Class A	8 505	8 031	
10 500	Netflix Inc.	3 538	3 837	
34 300	The Walt Disney Company	5 065	5 135	
34 600	Verizon Communications Inc.	2 726	2 656	
		43 908	45 853	0.9
Consumer Discretionary				
8 400	Amazon.com, Inc.	13 629	17 224	
26 600	Dollar General Corp.	2 916	3 926	
30 211	Home Depot Inc.	5 539	7 090	
25 300	McDonald's Corp.	4 950	6 133	
20 000	Nike Inc.	1 944	2 024	
16 000	Ross Stores Inc.	1 682	1 817	
19 500	Starbucks Corp.	1 718	1 715	
29 500	Target Corporation	2 729	2 662	
54 200	TJX Companies Inc.	3 050	3 310	
		38 157	45 901	0.9
Consumer Staples				
75 200	Altria Group Inc.	5 879	5 071	
55 000	Mondelez International Inc.	2 801	3 006	
40 800	PepsiCo Inc.	5 947	6 154	
44 400	Philip Morris International Inc.	5 048	4 047	
94 000	The Coca-Cola Co.	5 425	6 076	
45 700	The Procter & Gamble Co.	4 665	5 737	
39 700	Walmart Inc.	4 591	5 049	
		34 356	35 140	0.7
Energy				
36 900	Chevron Corp.	5 296	5 482	
72 600	ConocoPhillips	5 762	6 180	
27 900	EOG Resources Inc.	3 654	3 322	
69 200	Exxon Mobil Corp.	7 228	6 444	
38 700	Marathon Petroleum Corp.	3 418	3 118	
19 600	Phillips 66 Company	2 726	2 305	
		28 084	26 851	0.5
Financials				
323 900	Bank of America Corp.	7 430	10 907	
36 600	Berkshire Hathaway Inc., Class B	8 268	10 214	
21 400	Citigroup Inc.	1 944	1 521	
15 500	CME Group Inc., Class A	3 352	3 981	
74 700	JPMorgan Chase & Co.	6 216	9 967	
62 800	MetLife Inc.	3 380	3 520	
29 000	PNC Bank Corp.	4 945	4 628	
21 500	Prudential Financial Inc.	2 660	2 394	
39 500	The Progressive Corp.	3 396	3 253	
54 900	Wells Fargo & Company	4 086	3 455	
		45 677	53 840	1.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
52 200	Abbott Laboratories	\$ 4 352	\$ 5 154	
10 200	Amgen Inc.	2 251	2 712	
17 600	Anthem Inc.	5 516	6 310	
36 000	Baxter International Inc.	3 354	3 236	
7 800	Becton Dickinson & Co.	2 693	2 399	
20 800	Boston Scientific Corp.	992	1 004	
58 800	Bristol-Myers Squibb Co.	4 202	4 171	
76 800	CVS Health Corp.	7 071	6 870	
18 900	Danaher Corp.	2 576	2 661	
14 500	Eli Lilly & Co.	1 754	2 291	
5 600	Illumina Inc.	2 420	2 295	
42 500	Johnson & Johnson	6 377	7 488	
34 500	Medtronic Plc.	3 441	4 285	
42 000	Merck & Co. Inc.	3 287	4 385	
106 600	Pfizer Inc.	4 945	6 352	
8 600	Thermo Fisher Scientific Inc.	2 035	2 627	
29 800	UnitedHealth Group Incorporated	5 077	10 137	
		62 343	74 377	1.5
Industrials				
18 000	Boeing Co.	4 649	7 925	
10 600	Caterpillar Inc.	1 718	1 838	
61 400	CSX Corp.	5 761	5 208	
42 600	Delta Air Lines Inc.	3 243	2 902	
34 600	Eaton Corp Plc.	3 452	3 243	
152 900	General Electric Company	1 591	1 580	
19 600	Honeywell International Inc.	3 329	3 535	
18 500	Ingersoll-Rand Plc., Class A	2 437	2 303	
17 400	Raytheon Company	3 548	3 643	
26 900	Union Pacific Corp.	4 138	5 076	
12 900	United Technologies Corp.	2 171	1 875	
		36 037	39 128	0.8
Information Technology				
10 400	Accenture Plc., Class A	2 318	2 002	
12 300	Adobe Inc.	3 479	3 801	
74 700	Apple Inc.	13 525	16 106	
11 800	Applied Materials Inc.	563	528	
11 600	Broadcom Inc.	3 429	4 027	
121 100	Cisco Systems Inc.	5 085	7 176	
104 800	HP Inc.	3 360	2 927	
79 200	Intel Corp.	4 469	5 078	
16 800	International Business Machines	2 731	2 606	
2 000	Lam Research Corp.	390	372	
18 900	Mastercard Inc.	3 034	4 868	
139 500	Microsoft Corp.	9 200	19 362	
30 600	PayPal Holdings Inc.	3 223	3 516	
8 700	Proofpoint Inc.	1 029	995	
18 700	Salesforce.com Inc.	2 992	3 497	
4 300	ServiceNow Inc.	1 030	1 044	
23 900	Texas Instruments Inc.	2 855	3 083	
33 700	Visa Inc., Class A	4 323	6 072	
		67 035	87 060	1.8
Materials				
18 100	Air Products & Chemicals Inc.	3 863	3 956	
30 600	LyondellBasell Industries N.V.	3 935	3 475	
		7 798	7 431	0.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
19 100	Crown Castle International Corp.			
	Real Estate Investment Trust	\$ 2 603	\$ 2 833	
16 000	Simon Property Group Inc.	3 758	3 670	
		6 361	6 503	0.1
Utilities				
29 200	American Electric Power	2 702	2 979	
22 000	Dominion Energy Inc.	2 150	2 147	
10 400	Duke Energy Corp.	1 040	1 225	
47 300	Exelon Corp.	2 512	2 912	
15 400	NextEra Energy Inc.	2 494	3 655	
		10 898	12 918	0.3
TOTAL UNITED STATES EQUITIES				
		380 654	435 002	8.8
INTERNATIONAL EQUITIES				
Australia				
57 800	Commonwealth Bank of Australia	4 682	4 025	
72 794	CSL Ltd.	7 125	12 981	
255 300	James Hardie Industries Plc., Subscription Receipts	4 705	3 797	
		16 512	20 803	0.4
China				
221 600	Tencent Holdings Ltd.	5 272	12 125	
56	Tencent Music Entertainment Group ADR	1	1	
		5 273	12 126	0.3
Denmark				
35 865	Christian Hansen Holding A/S	3 051	4 336	
168 424	Novo Nordisk A/S	7 481	10 543	
89 450	Novozymes A/S	5 172	5 449	
		15 704	20 328	0.4
Finland				
122 528	Sampo OYJ	6 023	7 385	
		6 023	7 385	0.2
France				
19 339	EssilorLuxottica	3 303	3 347	
24 700	Groupe Danone	2 393	2 377	
17 999	LVMH Louis Vuitton Moet-Hennessy	6 059	7 194	
		11 755	12 918	0.3
Germany				
44 492	Bayer AG	6 535	4 232	
25 821	Continental AG	5 896	4 894	
30 764	Fresenius Medical Care AG & Co. KGaA	3 948	2 716	
35 515	Henkel KGaA, Preferred Non-Voting	3 526	5 296	
37 039	Symrise AG	2 550	3 751	
		22 455	20 889	0.4
Hong Kong				
810 800	AIA Group Ltd.	4 939	9 195	
		4 939	9 195	0.2
Ireland				
93 983	CRH Plc.	4 365	3 396	
53 350	Paddy Power Betfair Plc.	5 182	5 949	
55 276	Ryanair Holdings Plc. ADR	3 322	5 384	
		12 869	14 729	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Japan				
100 200	Asahi Group Holdings Ltd.	\$ 6 421	\$ 5 301	
159 100	Bridgestone Corp.	6 292	8 333	
148 000	Daiichi Sankyo Co. Ltd.	7 453	6 463	
1 265 100	Mitsubishi UFJ Financial Group Inc.	9 204	8 476	
32 000	Nitori Co. Ltd.	4 299	5 471	
145 000	Recruit Holdings Co. Ltd.	5 072	4 782	
13 800	SMC Corp.	5 369	5 672	
111 000	SoftBank Group Corp.	9 246	9 926	
81 000	Suzuki Motor Co. Ltd.	5 364	5 575	
46 700	Sysmex Corp.	3 587	3 028	
1 351 400	Yahoo! Japan Corp.	8 231	4 590	
152 000	ZOZO Inc.	7 022	3 802	
		77 560	71 419	1.5
Netherlands				
17 614	ASML Holding N.V.	3 995	3 767	
51 607	Heineken N.V.	5 693	6 227	
417 777	ING Groep N.V.	9 279	6 135	
		18 967	16 129	0.3
Spain				
854 440	CaixaBank S.A.	5 318	4 224	
		5 318	4 224	0.1
Sweden				
142 232	Assa Abloy AB	3 729	3 467	
82 036	Atlas Copco AB	3 345	2 665	
179 498	Swedbank AB	4 457	5 469	
		11 531	11 601	0.2
Switzerland				
22 084	Roche Holdings AG Genussscheine	6 381	7 485	
11 848	Schindler Holding AG	1 298	3 212	
31 660	Sika AG	3 163	5 490	
		10 842	16 187	0.3
Taiwan				
952 800	Taiwan Semiconductor Manufacturing Co. Ltd.	2 705	9 445	
		2 705	9 445	0.2
United Kingdom				
165 555	Ashtead Group Plc.	4 431	4 715	
466 565	Barratt Developments Plc.	4 418	3 757	
927 148	BT Group Plc.	4 778	3 849	
41 362	DCC Plc.	5 175	4 307	
167 940	Hargreaves Lansdown Plc.	3 240	5 407	
91 917	Imperial Brands Plc.	4 483	3 809	
120 802	London Stock Exchange Group Plc.	4 255	8 556	
271 075	RELX Plc.	5 237	7 614	
218 146	Royal Dutch Shell Plc., A Shares	7 641	8 778	
140 170	Schroders Plc.	7 375	5 960	
320 508	The Sage Group Plc.	3 317	3 356	
149 958	Unilever Plc.	7 758	10 749	
		62 108	70 857	1.4
TOTAL INTERNATIONAL EQUITIES		284 561	318 235	6.5
TOTAL FOREIGN EQUITIES		665 215	753 237	15.3
TOTAL EQUITIES		1 993 331	2 399 354	48.8

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
130 500	iShares Dow Jones US Real Estate Index Fund	\$ 13 117	\$ 13 351	
10 968 485	RBC Canadian Small & Mid-Cap Resources Fund*	104 746	51 079	
1 811 481	RBC Emerging Markets Dividend Fund*	18 787	22 279	
10 621 274	RBC Emerging Markets Equity Fund*	115 989	176 831	
2 183 974	RBC Emerging Markets Foreign Exchange Fund*	21 478	23 145	
1 718 720	RBC Emerging Markets Small-Cap Equity Fund*	17 990	23 606	
636 205	RBC U.S. Mid-Cap Growth Equity Fund*	14 166	24 568	
1 187 904	RBC U.S. Mid-Cap Value Equity Fund*	13 978	13 726	
292 152	RBC U.S. Small-Cap Core Equity Fund*	3 257	5 069	
TOTAL UNDERLYING FUNDS		323 508	353 654	7.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
2 500	407 International Inc.	2.470	08-Sep-2022	\$ 2 477	\$ 2 458	
8 430	407 International Inc.	5.750	14-Feb-2036	8 869	10 441	
1 000	407 International Inc.	3.650	08-Sep-2044	1 013	979	
2 800	Alectra Inc.	2.488	17-May-2027	2 800	2 686	
1 249	Alliance Pipeline LP	6.765	31-Dec-2025	1 412	1 418	
3 000	AltaGas Ltd.	3.720	28-Sep-2021	3 101	3 019	
2 000	AltaGas Ltd.	3.840	15-Jan-2025	2 098	1 972	
3 000	AltaLink LP	3.668	06-Nov-2023	3 367	3 120	
4 700	Bank of Montreal	2.840	04-Jun-2020	4 878	4 720	
3 250	Bank of Montreal	1.880	31-Mar-2021	3 187	3 194	
3 000	Bank of Montreal	3.400	23-Apr-2021	3 101	3 047	
3 000	Bank of Montreal	1.610	28-Oct-2021	3 000	2 908	
3 000	Bank of Montreal	2.270	11-Jul-2022	3 000	2 943	
7 250	Bank of Montreal	2.890	20-Jun-2023	7 249	7 246	
16 000	Bank of Nova Scotia	2.270	13-Jan-2020	16 075	15 974	
2 300	Bank of Nova Scotia	2.090	09-Sep-2020	2 294	2 280	
4 400	Bank of Nova Scotia	2.873	04-Jun-2021	4 418	4 414	
8 000	Bank of Nova Scotia	1.900	02-Dec-2021	7 998	7 802	
3 700	Bank of Nova Scotia	1.830	27-Apr-2022	3 699	3 584	
6 550	Bank of Nova Scotia	2.360	08-Nov-2022	6 510	6 423	
6 200	Bank of Nova Scotia	2.980	17-Apr-2023	6 198	6 213	
3 500	Bank of Nova Scotia	3.100	02-Feb-2028	3 499	3 479	
235	Baytex Energy Corp. USD	5.125	01-Jun-2021	243	309	
30	Baytex Energy Corp. USD	5.625	01-Jun-2024	37	36	
850	BC Tel	10.650	19-Jun-2021	1 319	999	
2 200	BC Tel	9.650	08-Apr-2022	3 220	2 621	
3 000	bclMC Realty Corp.	2.960	07-Mar-2019	2 994	3 005	
400	Bell Canada	3.250	17-Jun-2020	418	403	
7 650	Bell Canada	2.000	01-Oct-2021	7 634	7 439	
5 700	Bell Canada	3.000	03-Oct-2022	5 677	5 652	
5 710	Bell Canada	3.350	22-Mar-2023	6 025	5 714	
4 200	Bell Canada	6.100	16-Mar-2035	3 911	4 949	
1 600	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	1 599	1 656	
650	Brookfield Renewable Energy Partners ULC	5.840	05-Nov-2036	658	713	
2 000	Caisse Centrale Desjardins	1.748	02-Mar-2020	2 000	1 983	
3 600	Caisse Centrale Desjardins	2.091	17-Jan-2022	3 600	3 524	
4 000	Calloway Real Estate Investment Trust	3.730	22-Jul-2022	4 034	4 027	
2 000	Cameco Corp.	5.670	02-Sep-2019	2 035	2 036	
2 000	Canadian Credit Card Trust II	1.829	24-Mar-2020	2 001	1 983	
1 200	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	1 200	1 191	
1 200	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	1 198	1 187	
900	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	900	884	
2 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	2 000	2 007	
300	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	300	293	
2 300	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	2 300	2 257	
2 700	Canadian Pacific Railway Ltd.	6.450	17-Nov-2039	2 699	3 594	
1 600	Canadian Western Bank	2.751	29-Jun-2020	1 599	1 596	
500	Canadian Western Bank	2.881	01-Mar-2021	500	498	
1 900	Canadian Western Bank	2.788	13-Sep-2021	1 883	1 880	
500	Canadian Western Bank	2.924	15-Dec-2022	500	492	
4 000	Capital Desjardins Inc.	5.187	05-May-2020	4 000	4 127	
2 000	CCL Industries Inc.	3.864	13-Apr-2028	1 993	2 004	
4 000	Choice Properties LP	3.600	20-Sep-2021	4 063	4 037	
1 300	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	1 300	1 281	
1 250	Choice Properties Real Estate Investment Trust	3.546	10-Jan-2025	1 250	1 227	
2 700	CU Inc.	6.800	13-Aug-2019	3 109	2 774	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
1 500	Daimler Canada Finance Inc.	1.570	25-May-2020	\$ 1 500	\$ 1 474	
400	Daimler Canada Finance Inc.	1.910	08-Jul-2021	401	389	
7 000	Daimler Canada Finance Inc.	2.230	16-Dec-2021	6 999	6 839	
1 100	Daimler Canada Finance Inc.	3.050	16-May-2022	1 100	1 098	
800	Dollarama Inc.	2.337	22-Jul-2021	800	783	
2 800	Emera Inc.	2.900	16-Jun-2023	2 718	2 748	
4 400	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	4 303	5 146	
8 600	Enbridge Inc.	3.200	08-Jun-2027	8 596	8 189	
500	Enbridge Inc.	5.570	14-Nov-2035	563	547	
100	Enbridge Inc. USD	5.500	15-Jul-2077	116	116	
1 200	Enbridge Inc.	5.375	27-Sep-2077	1 200	1 109	
1 550	Enbridge Pipelines Inc.	4.490	12-Nov-2019	1 549	1 579	
4 400	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	4 400	4 326	
3 722	First Capital Realty Inc.	4.430	31-Jan-2022	3 991	3 836	
2 000	Ford Credit Canada Co.	3.140	14-Jun-2019	2 000	2 003	
800	Ford Credit Canada Co.	2.580	10-May-2021	789	772	
5 400	Ford Credit Canada Co.	2.766	22-Jun-2022	5 299	5 095	
800	Ford Credit Canada Co.	3.742	08-May-2023	800	765	
1 100	Fortified Trust	2.161	23-Oct-2020	1 100	1 091	
3 500	FortisBC Energy Inc.	5.900	26-Feb-2035	3 701	4 435	
1 000	FortisBC Energy Inc.	3.690	30-Oct-2047	1 021	986	
5 000	Genesis Trust II	1.699	15-Apr-2020	5 000	4 948	
3 000	Genworth MI Canada Inc.	5.680	15-Jun-2020	3 067	3 104	
110	Gibson Energy Inc.	5.375	15-Jul-2022	108	110	
100	Gibson Energy Inc.	5.250	15-Jul-2024	101	97	
2 900	Glacier Credit Card Trust	2.048	20-Sep-2022	2 900	2 808	
3 000	Great-West Lifeco Inc.	4.650	13-Aug-2020	3 350	3 095	
1 750	Great-West Lifeco Inc.	6.740	24-Nov-2031	1 894	2 284	
6 000	Greater Toronto Airports Authority	6.470	02-Feb-2034	7 194	8 073	
2 000	Hollis Receivables Term Trust II	1.788	26-Feb-2020	2 000	1 983	
3 000	Honda Canada Finance Inc.	3.176	28-Aug-2023	3 000	3 008	
5 000	HSBC Bank Canada	2.938	14-Jan-2020	5 035	5 018	
4 900	Hydro One Inc.	6.930	01-Jun-2032	6 295	6 520	
1 500	Inter Pipeline Ltd.	4.967	02-Feb-2021	1 718	1 555	
2 500	Inter Pipeline Ltd.	2.734	18-Apr-2024	2 381	2 383	
2 000	Loblaw Companies Ltd.	6.450	09-Feb-2028	2 275	2 353	
2 000	Loblaw Companies Ltd.	6.050	09-Jun-2034	1 850	2 305	
6 170	Loblaw Companies Ltd.	5.900	18-Jan-2036	5 934	7 033	
4 300	Manulife Bank of Canada	1.915	01-Sep-2021	4 300	4 197	
3 000	Manulife Bank of Canada	2.082	26-May-2022	3 000	2 917	
3 500	Manulife Bank of Canada	2.844	12-Jan-2023	3 500	3 472	
2 500	Manulife Financial Corporation	5.059	15-Dec-2041	2 498	2 692	
100	Mattamy Group Corp. USD	6.875	15-Dec-2023	128	128	
175	Mattamy Group Corp.	6.500	01-Oct-2025	178	165	
1 900	Metro Inc.	3.390	06-Dec-2027	1 899	1 819	
600	National Bank of Canada	1.742	03-Mar-2020	604	595	
2 400	National Bank of Canada	1.809	26-Jul-2021	2 414	2 345	
12 400	National Bank of Canada	1.957	30-Jun-2022	12 161	12 032	
2 000	NAV Canada	4.397	18-Feb-2021	2 000	2 075	
40	New Gold Inc. USD	6.250	15-Nov-2022	49	46	
155	New Gold Inc. USD	6.375	15-May-2025	210	162	
3 500	North West Redwater Partnership	2.800	01-Jun-2027	3 491	3 317	
4 500	OMERS Realty Corp.	3.328	12-Nov-2024	4 500	4 581	
2 500	OMERS Realty Corp.	3.244	04-Oct-2027	2 507	2 513	
325	Parkland Fuel Corp.	5.750	16-Sep-2024	330	319	
200	Parkland Fuel Corp.	5.625	09-May-2025	201	191	
3 000	Pembina Pipeline Corp.	3.540	03-Feb-2025	2 999	2 968	
2 000	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	2 000	1 964	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
95	Precision Drilling Corp. USD	7.750	15-Dec-2023	\$ 128	\$ 120	
60	Precision Drilling Corp. USD	5.250	15-Nov-2024	63	68	
55	Precision Drilling Corp. USD	7.125	15-Jan-2026	72	65	
5 000	Rogers Communications Inc.	5.380	04-Nov-2019	5 070	5 112	
6 500	Rogers Communications Inc.	4.700	29-Sep-2020	6 669	6 699	
4 000	Rogers Communications Inc.	6.110	25-Aug-2040	4 016	4 717	
2 000	Royal Bank of Canada*	2.860	04-Mar-2021	2 108	2 008	
5 000	Royal Bank of Canada*	2.030	15-Mar-2021	5 087	4 931	
2 000	Royal Bank of Canada*	2.000	21-Mar-2022	2 000	1 951	
190	Seven Generations Energy Ltd. USD	5.375	30-Sep-2025	237	233	
2 500	Shaw Communications Inc.	5.650	01-Oct-2019	2 800	2 554	
3 000	Shaw Communications Inc.	3.800	02-Nov-2023	3 000	3 020	
4 500	Shaw Communications Inc.	6.750	09-Nov-2039	4 581	5 367	
6 800	Sun Life Financial Inc.	5.700	02-Jul-2019	7 236	6 911	
4 820	Sun Life Financial Inc.	5.400	29-May-2042	4 815	5 546	
2 000	Suncor Energy Inc.	3.100	26-Nov-2021	1 993	2 008	
125	Superior Plus Corp. USD	7.000	15-Jul-2026	166	166	
100	Superior Plus LP	5.250	27-Feb-2024	102	94	
50	Superior Plus LP	5.125	27-Aug-2025	50	46	
2 000	TELUS Corp.	3.600	26-Jan-2021	2 171	2 026	
2 150	TELUS Corp.	2.350	28-Mar-2022	2 105	2 099	
5 000	TELUS Corp.	3.350	15-Mar-2023	5 341	5 007	
3 500	TELUS Corp.	3.625	01-Mar-2028	3 439	3 432	
3 000	TELUS Corp.	4.400	01-Apr-2043	2 979	2 808	
1 500	Teranet Holdings LP	5.754	17-Dec-2040	1 490	1 528	
3 100	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	3 100	3 102	
4 500	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	4 500	4 453	
3 200	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	3 200	3 211	
2 600	Thomson Reuters Corp.	3.309	12-Nov-2021	2 600	2 626	
1 000	Toronto Hydro Corp.	4.490	12-Nov-2019	1 000	1 018	
500	Toronto-Dominion Bank	1.693	02-Apr-2020	500	495	
5 900	Toronto-Dominion Bank	2.045	08-Mar-2021	6 020	5 825	
6 400	Toronto-Dominion Bank	1.994	23-Mar-2022	6 355	6 248	
9 000	Toronto-Dominion Bank	3.005	30-May-2023	9 000	9 053	
2 000	Toronto-Dominion Bank	1.909	18-Jul-2023	2 000	1 918	
2 000	Toyota Credit Canada Inc.	2.200	25-Feb-2021	1 996	1 977	
1 000	Toyota Credit Canada Inc.	1.750	21-Jul-2021	998	974	
5 000	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	5 000	5 106	
4 500	Union Gas Ltd.	3.190	17-Sep-2025	4 600	4 519	
800	Union Gas Ltd.	5.460	11-Sep-2036	800	960	
2 500	Union Gas Ltd.	5.200	23-Jul-2040	2 488	2 970	
110	Vermilion Energy Inc. USD	5.625	15-Mar-2025	148	142	
105	Videotron Ltd.	5.625	15-Jun-2025	108	107	
275	Videotron Ltd.	5.750	15-Jan-2026	278	279	
1 500	Wells Fargo Canada Corp.	2.944	25-Jul-2019	1 560	1 505	
4 500	Wells Fargo Canada Corp.	3.040	29-Jan-2021	4 509	4 521	
2 000	Westcoast Energy Inc.	6.750	15-Dec-2027	2 265	2 436	
				465 202	469 160	9.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
FEDERAL						
28 900	Canada Housing Trust No. 1	3.350	15-Dec-2020	\$ 30 125	\$ 29 655	
17 000	Canada Housing Trust No. 1	1.250	15-Jun-2021	16 505	16 680	
39 850	Canada Housing Trust No. 1	2.650	15-Mar-2022	41 418	40 480	
30 000	Canada Housing Trust No. 1	2.350	15-Sep-2023	29 714	30 088	
68 000	Government of Canada	0.750	01-Sep-2021	67 245	66 042	
52 000	Government of Canada	0.500	01-Mar-2022	49 780	49 818	
26 880	Government of Canada	2.750	01-Jun-2022	28 708	27 655	
15 745	Government of Canada	1.500	01-Jun-2023	15 425	15 491	
18 000	Government of Canada	1.500	01-Jun-2026	16 793	17 465	
6 330	Government of Canada	1.000	01-Jun-2027	5 827	5 868	
13 325	Government of Canada	2.000	01-Jun-2028	12 973	13 366	
15 238	Government of Canada	4.000	01-Jun-2041	19 093	20 107	
11 350	Government of Canada	3.500	01-Dec-2045	14 522	14 359	
58 000	Government of Canada	2.750	01-Dec-2048	63 897	65 222	
				412 025	412 296	8.4
PROVINCIAL/MUNICIPAL						
35 000	Hydro-Quebec	6.500	15-Feb-2035	40 772	50 010	
12 000	Newfoundland & Labrador Hydro	6.650	27-Aug-2031	11 981	16 164	
6 000	Ontario Infrastructure Projects Corp.	4.700	01-Jun-2037	6 008	7 106	
10 400	Province of British Columbia	3.700	18-Dec-2020	10 816	10 726	
5 000	Province of Manitoba	1.550	05-Sep-2021	5 000	4 915	
5 000	Province of Manitoba	2.450	02-Jun-2025	4 998	4 935	
15 000	Province of Manitoba	4.600	05-Mar-2038	17 747	17 752	
17 000	Province of New Brunswick	4.400	03-Jun-2019	18 858	17 178	
15 000	Province of New Brunswick	4.500	02-Jun-2020	16 858	15 510	
10 000	Province of New Brunswick	2.850	02-Jun-2023	10 559	10 147	
4 000	Province of New Brunswick	2.350	14-Aug-2027	3 802	3 833	
16 000	Province of New Brunswick	5.500	27-Jan-2034	16 450	20 227	
5 000	Province of New Brunswick	4.800	03-Jun-2041	4 872	6 088	
5 000	Province of Nova Scotia	6.600	01-Dec-2031	6 630	6 920	
15 000	Province of Nova Scotia	4.900	01-Jun-2035	15 190	18 357	
6 000	Province of Nova Scotia	4.500	01-Jun-2037	5 951	7 100	
8 000	Province of Ontario	4.200	02-Jun-2020	8 378	8 240	
17 200	Province of Ontario	4.000	02-Jun-2021	18 933	17 934	
43 400	Province of Ontario	3.150	02-Jun-2022	45 209	44 558	
46 200	Province of Ontario	2.850	02-Jun-2023	44 955	46 958	
19 000	Province of Ontario	3.500	02-Jun-2024	19 523	19 912	
43 060	Province of Ontario	2.600	02-Jun-2025	43 696	42 982	
38 000	Province of Ontario	2.400	02-Jun-2026	37 830	37 213	
44 000	Province of Ontario	2.600	02-Jun-2027	43 264	43 401	
15 000	Province of Ontario	2.900	02-Jun-2028	14 913	15 098	
27 800	Province of Ontario	5.600	02-Jun-2035	37 902	36 612	
40 200	Province of Ontario	4.700	02-Jun-2037	43 737	48 856	
46 185	Province of Ontario	4.600	02-Jun-2039	51 976	56 068	
46 130	Province of Ontario	4.650	02-Jun-2041	51 658	56 808	
9 380	Province of Ontario	3.500	02-Jun-2043	9 592	9 848	
39 370	Province of Ontario	3.450	02-Jun-2045	37 044	41 087	
15 025	Province of Ontario	2.900	02-Dec-2046	14 150	14 180	
28 000	Province of Ontario	2.800	02-Jun-2048	26 386	25 951	
7 500	Province of Ontario	2.900	02-Jun-2049	7 265	7 104	
5 000	Province of Prince Edward Island	5.700	15-Jun-2035	5 282	6 436	
30 000	Province of Quebec	4.500	01-Dec-2020	31 186	31 365	
16 550	Province of Quebec	3.500	01-Dec-2022	17 328	17 258	
43 200	Province of Quebec	3.000	01-Sep-2023	42 721	44 266	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
5 000	Province of Quebec	3.750	01-Sep-2024	\$ 5 389	\$ 5 321	
10 000	Province of Quebec	2.750	01-Sep-2025	10 075	10 089	
7 500	Province of Quebec	2.500	01-Sep-2026	7 648	7 410	
12 500	Province of Quebec	2.750	01-Sep-2028	12 349	12 481	
5 000	Province of Quebec	6.000	01-Oct-2029	6 547	6 442	
10 000	Province of Quebec	5.750	01-Dec-2036	12 553	13 641	
10 300	Province of Quebec	5.000	01-Dec-2038	12 399	13 166	
18 000	Province of Quebec	5.000	01-Dec-2041	22 028	23 445	
25 500	Province of Quebec	4.250	01-Dec-2043	27 828	30 333	
15 000	Province of Quebec	3.500	01-Dec-2045	15 648	15 947	
15 000	Province of Saskatchewan	5.750	05-Mar-2029	15 562	18 679	
5 000	Province of Saskatchewan	5.600	05-Sep-2035	5 261	6 554	
				1 002 707	1 052 611	21.4
TOTAL CANADIAN BONDS				1 879 934	1 934 067	39.3
FOREIGN BONDS						
Australia						
140	FMG Resources (August 2006) Pty Ltd. USD	5.125	15-May-2024	190	177	
				190	177	—
Ireland						
50	Ardagh Packaging Finance Plc. USD	7.250	15-May-2024	64	68	
				64	68	—
Luxembourg						
210	Altice Financing S.A. USD	6.625	15-Feb-2023	275	276	
220	ArcelorMittal USD	8.000	15-Oct-2039	260	317	
80	Intelsat Jackson Holdings S.A. USD	8.000	15-Feb-2024	106	113	
				641	706	—
New Zealand						
150	Reynolds Group Issuer Inc. USD	5.125	15-Jul-2023	194	195	
				194	195	—
Supranational						
6 000	Inter-American Development Bank CAD	4.400	26-Jan-2026	5 794	6 649	
				5 794	6 649	0.1
United Kingdom						
50	Ashtead Capital Inc. USD	5.250	01-Aug-2026	66	66	
				66	66	—
United States						
240	Adient Global Holdings Ltd. EUR	3.500	15-Aug-2024	313	252	
200	Alcoa Nederland Holding BV	6.750	30-Sep-2024	271	279	
50	Alcoa Nederland Holding BV	7.000	30-Sep-2026	69	70	
125	AMC Entertainment Holdings Inc. GBP	6.375	15-Nov-2024	218	203	
55	AMC Entertainment Holdings Inc.	6.125	15-May-2027	67	65	
620	American Axle & Manufacturing Inc.	6.500	01-Apr-2027	785	761	
150	Avis Budget Car Rental LLC	5.250	15-Mar-2025	183	178	
150	Ball Corp.	4.875	15-Mar-2026	191	200	
200	Berry Global Inc.	4.500	15-Feb-2026	245	251	
140	Blue Racer Midstream LLC	6.625	15-Jul-2026	184	179	
180	Boyd Gaming Corp.	6.375	01-Apr-2026	242	239	
200	Builders FirstSource Inc.	5.625	01-Sep-2024	266	254	
105	Calpine Corp.	5.250	01-Jun-2026	138	131	
290	CCO Holdings LLC	5.750	15-Feb-2026	388	389	
100	CDW LLC	5.000	01-Sep-2025	137	131	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
145	Cedar Fair LP	5.375	15-Apr-2027	\$ 196	\$ 188	
280	CenturyLink Inc.	7.500	01-Apr-2024	357	370	
155	Cinemark USA Inc.	4.875	01-Jun-2023	172	204	
80	CIT Group Inc.	5.000	01-Aug-2023	106	107	
100	Consol Energy Inc.	5.875	15-Apr-2022	96	131	
220	CSC Holdings LLC	5.500	15-Apr-2027	298	280	
215	Dana Inc.	5.500	15-Dec-2024	263	274	
80	DISH DBS Corp.	5.875	15-Nov-2024	91	88	
150	Equinix Inc.	5.875	15-Jan-2026	202	207	
150	Frontier Communications Corp.	7.125	15-Jan-2023	176	117	
150	Hanesbrands Inc.	4.875	15-May-2026	196	186	
275	HCA Inc.	5.875	15-Feb-2026	377	374	
75	HCA Inc.	4.500	15-Feb-2027	91	97	
180	Hilton Domestic Operating Co. Inc.	5.125	01-May-2026	227	237	
150	Ingles Markets Inc.	5.750	15-Jun-2023	183	203	
350	International Game Technology Plc.	6.250	15-Feb-2022	439	481	
120	Lamb Weston Holdings Inc.	4.875	01-Nov-2026	154	158	
50	Lennar Corp.	4.750	30-May-2025	62	64	
300	Lennar Corp.	5.250	01-Jun-2026	388	388	
540	Merrill Lynch & Co. Inc. CAD	5.290	30-May-2022	528	539	
110	MGM Resorts International	6.000	15-Mar-2023	152	151	
175	Mobile Mini Inc.	5.875	01-Jul-2024	230	235	
130	Murphy Oil Corp.	5.750	15-Aug-2025	166	166	
125	New Albertson's Inc.	6.625	15-Jun-2024	166	159	
100	NRG Energy Inc.	6.250	01-May-2024	113	139	
100	Owens-Brockway Glass Container Inc.	6.375	15-Aug-2025	136	136	
125	Parsley Energy LLC	6.250	01-Jun-2024	169	166	
185	Post Holdings Inc.	5.750	01-Mar-2027	231	238	
40	PulteGroup Inc.	5.500	01-Mar-2026	52	53	
135	PulteGroup Inc.	5.000	15-Jan-2027	166	167	
155	Rite Aid Corp.	6.125	01-Apr-2023	202	168	
130	SemGroup Corp.	6.375	15-Mar-2025	168	165	
140	Six Flags Entertainment Corp.	5.500	15-Apr-2027	185	181	
40	SM Energy Co.	5.625	01-Jun-2025	46	48	
90	SM Energy Co.	6.750	15-Sep-2026	119	111	
100	Sonic Automotive Inc.	5.000	15-May-2023	118	125	
465	Sprint Capital Corp.	6.875	15-Nov-2028	585	601	
125	Sprint Nextel Corp.	6.000	15-Nov-2022	109	168	
190	T-Mobile USA Inc.	6.000	15-Apr-2024	250	260	
60	T-Mobile USA Inc.	4.750	01-Feb-2028	75	74	
60	Targa Resources Partners LP	5.375	01-Feb-2027	74	77	
120	Targa Resources Partners LP	5.000	15-Jan-2028	153	149	
175	Tempur Sealy International Inc.	5.500	15-Jun-2026	229	219	
175	Tenet Healthcare Corp.	4.625	15-Jul-2024	221	223	
90	The AES Corp.	4.500	15-Mar-2023	116	120	
40	The AES Corp.	4.875	15-May-2023	52	54	
35	The EW Scripps Co.	5.125	15-May-2025	48	44	
180	The Goodyear Tire & Rubber Co.	5.000	31-May-2026	232	222	
75	Toll Brothers Finance Corp.	4.875	15-Nov-2025	101	96	
175	Toll Brothers Finance Corp.	4.350	15-Feb-2028	206	205	
160	Unit Corp.	6.625	15-May-2021	166	200	
50	United Rentals North America Inc.	5.500	15-Jul-2025	64	65	
125	United Rentals North America Inc.	5.875	15-Sep-2026	164	161	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
United States (cont.)						
225	Universal Health Services Inc.	5.000	01-Jun-2026	\$ 297	\$ 299	
130	Valvoline Inc.	5.500	15-Jul-2024	175	174	
130	Vistra Operations Co. LLC	5.500	01-Sep-2026	170	171	
370	Western Digital Corp.	4.750	15-Feb-2026	451	440	
65	WPX Energy Inc.	6.000	15-Jan-2022	86	87	
110	WPX Energy Inc.	5.250	15-Sep-2024	117	137	
110	Wynn Las Vegas LLC Corp.	5.250	15-May-2027	152	132	
				15 011	15 061	0.3
TOTAL FOREIGN BONDS				21 960	22 922	0.4
TOTAL BONDS				1 901 894	1 956 989	39.7
SHORT-TERM INVESTMENTS[†]				199 272	199 272	4.1
TOTAL INVESTMENTS				4 418 005	4 909 269	99.8
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)				—	762	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				—	(5 583)	(0.1)
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	4 783	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(2 492)	(0.1)
TOTAL PORTFOLIO				\$ 4 418 005	4 906 739	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					15 004	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 4 921 743	100.0

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
(70)	The S&P 500 Mini Index Future, March 2019	
	Contracts at USD 2 664.57 per contract	\$ (12 469) \$ 762
		\$ (12 469) \$ 762
Number of Contracts	Contracted Value	Unrealized Loss
396	Japanese Nikkei 225 Index Future, March 2019	
	Contracts at JPY 21 270.00 per contract	\$ 49 841 \$ (3 587)
75	Mini MSCI Emerging Markets Index Future, March 2019	
	Contracts at USD 974.60 per contract	4 889 (39)
550	The Dow Jones Euro STOXX 50 Future, March 2019	
	Contracts at EUR 3 101.00 per contract	25 870 (1 093)
75	The S&P ASX 200 Index Future, March 2019	
	Contracts at AUD 5 632.54 per contract	10 097 (129)
214	The S&P/TSX 60 Index Future, March 2019	
	Contracts at CAD 865.53 per contract	37 045 (353)
130	United Kingdom New FTSE 100 Future, March 2019	
	Contracts at GBP 6 827.50 per contract	14 968 (382)
		\$ 142 710 \$ (5 583)
		\$ 130 241 \$ (4 821)
TOTAL FUTURES		

\$16 750 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 296 Sold JPY 23 760 @ 0.0124	03-Jan-2019	\$ —
Bought CAD 62 Sold GBP 36 @ 1.7395	03-Jan-2019	—
Bought CAD 413 Sold AUD 429 @ 0.9615	03-Jan-2019	—
Bought EUR 39 Sold CAD 60 @ 0.6405	03-Jan-2019	—
Bought PHP 111 427 Sold CAD 2 626 @ 42.4250	09-Jan-2019	267
Bought BRL 14 819 Sold CAD 4 851 @ 3.0547	16-Jan-2019	362
Bought BRL 15 179 Sold CAD 4 973 @ 3.0520	16-Jan-2019	367
Bought CAD 3 065 Sold BRL 8 709 @ 0.3520	16-Jan-2019	1
Bought USD 4 610 Sold EUR 3 957 @ 1.1650	17-Jan-2019	96
Bought GBP 10 545 Sold CAD 17 851 @ 0.5907	18-Jan-2019	505
Bought SEK 310 965 Sold CAD 45 409 @ 6.8481	18-Jan-2019	2 535
Bought USD 59 Sold CAD 77 @ 0.7646	23-Jan-2019	3
Bought USD 1 608 Sold CAD 2 112 @ 0.7614	28-Jan-2019	82
Bought MXN 75 457 Sold CAD 4 936 @ 15.2885	31-Jan-2019	276
Bought USD 6 Sold CAD 8 @ 0.7431	06-Feb-2019	—
Bought CAD 54 Sold USD 40 @ 1.3521	08-Feb-2019	—
Bought CAD 34 Sold USD 25 @ 1.3526	08-Feb-2019	—
Bought USD 364 Sold CAD 477 @ 0.7627	08-Feb-2019	19
Bought SEK 16 992 Sold CAD 2 491 @ 6.8201	11-Feb-2019	132
Bought CAD 2 680 Sold RUB 135 857 @ 0.0197	25-Feb-2019	42
Bought SEK 20 049 Sold CAD 3 005 @ 6.6724	11-Mar-2019	96
Bought CAD 41 Sold USD 30 @ 1.3504	19-Mar-2019	—
		\$ 4 783

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought USD 3 393 Sold CAD 4 634 @ 0.7322	03-Jan-2019	\$ (2)
Bought CAD 2 730 Sold PHP 111 427 @ 0.0245	09-Jan-2019	(163)
Bought CAD 16 Sold USD 12 @ 1.3192	11-Jan-2019	(1)
Bought CAD 152 Sold USD 119 @ 1.2771	14-Jan-2019	(10)
Bought CAD 218 Sold USD 168 @ 1.2980	16-Jan-2019	(11)
Bought CAD 29 Sold USD 22 @ 1.3086	16-Jan-2019	(1)
Bought CAD 48 600 Sold GBP 28 084 @ 1.7305	18-Jan-2019	(288)
Bought CAD 15 168 Sold SEK 103 373 @ 0.1467	18-Jan-2019	(772)
Bought CAD 58 Sold USD 45 @ 1.2930	25-Jan-2019	(3)
Bought CAD 60 Sold GBP 35 @ 1.7143	28-Jan-2019	(1)
Bought CAD 968 Sold USD 741 @ 1.3068	28-Jan-2019	(43)
Bought CAD 1 981 Sold USD 1 511 @ 1.3110	28-Jan-2019	(80)
Bought CAD 143 Sold USD 110 @ 1.2983	29-Jan-2019	(7)
Bought CAD 646 Sold USD 494 @ 1.3077	29-Jan-2019	(28)
Bought USD 3 980 Sold EUR 3 491 @ 1.1401	30-Jan-2019	(41)
Bought CAD 5 018 Sold MXN 75 457 @ 0.0665	31-Jan-2019	(193)
Bought CAD 423 Sold USD 324 @ 1.3055	04-Feb-2019	(19)
Bought CAD 83 Sold USD 63 @ 1.3158	08-Feb-2019	(3)
Bought CAD 2 564 Sold SEK 16 992 @ 0.1509	11-Feb-2019	(59)
Bought CAD 38 Sold USD 29 @ 1.3089	12-Feb-2019	(2)
Bought CAD 274 Sold USD 209 @ 1.3089	12-Feb-2019	(11)
Bought CAD 647 Sold USD 495 @ 1.3076	13-Feb-2019	(28)
Bought CAD 12 737 Sold USD 9 733 @ 1.3086	14-Feb-2019	(536)
Bought CAD 208 Sold USD 156 @ 1.3358	19-Feb-2019	(4)
Bought CAD 408 Sold USD 310 @ 1.3155	22-Feb-2019	(15)
Bought RUB 135 857 Sold CAD 2 690 @ 50.5000	25-Feb-2019	(52)
Bought CAD 153 Sold GBP 90 @ 1.6948	01-Mar-2019	(4)
Bought CAD 3 006 Sold SEK 20 049 @ 0.1499	11-Mar-2019	(94)
Bought CAD 332 Sold USD 249 @ 1.3348	14-Mar-2019	(7)
Bought CAD 511 Sold USD 380 @ 1.3444	19-Mar-2019	(7)
Bought CAD 214 Sold USD 160 @ 1.3406	21-Mar-2019	(4)
Bought CAD 325 Sold USD 241 @ 1.3486	25-Mar-2019	(3)
		\$ (2 492)
TOTAL FOREIGN EXCHANGE		\$ 2 291

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Illiquid security.

‡ Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.59% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 4 909 269	\$ 5 704 791
Cash	1 354	1 860
Due from investment dealers	—	4 984
Subscriptions receivable	1 129	967
Unrealized gain on futures contracts	762	937
Futures contracts margin receivable	6 513	402
Unrealized gain on foreign exchange contracts	4 783	2 594
Dividends receivable, interest accrued and other assets	17 082	17 739
TOTAL ASSETS	4 940 892	5 734 274
LIABILITIES		
Due to investment dealers	—	9 236
Redemptions payable	2 801	2 558
Unrealized loss on futures contracts	5 583	1 140
Unrealized loss on foreign exchange contracts	2 492	2 483
Distributions payable	19	27
Accounts payable and accrued expenses	8 254	9 719
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	19 149	25 163
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 4 921 743	\$ 5 709 111
Investments at cost	\$ 4 418 005	\$ 4 710 479
NAV		
SERIES A	\$ 4 230 235	\$ 5 063 830
ADVISOR SERIES	\$ 14 433	\$ 17 160
SERIES T5	\$ 1 219	\$ 1 195
SERIES T8	\$ 2 085	\$ 2 596
SERIES D	\$ 117 000	\$ 125 541
SERIES F	\$ 269 945	\$ 193 873
SERIES I	\$ 225 068	\$ 242 039
SERIES O	\$ 61 758	\$ 62 877
NAV PER UNIT		
SERIES A	\$ 13.16	\$ 14.28
ADVISOR SERIES	\$ 13.28	\$ 14.43
SERIES T5	\$ 11.64	\$ 12.87
SERIES T8	\$ 7.23	\$ 8.26
SERIES D	\$ 13.73	\$ 14.89
SERIES F	\$ 14.52	\$ 15.74
SERIES I	\$ 15.09	\$ 16.33
SERIES O	\$ 14.70	\$ 15.91

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 74 585	\$ 76 107
Interest for distribution purposes	69 369	71 206
Income from investment trusts	18 158	9 501
Derivative income	(8 621)	6 227
Net realized gain (loss) on investments	213 623	282 743
Change in unrealized gain (loss) on investments	(500 868)	72 098
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(133 754)	517 882
Other income (loss)	87	—
Securities lending revenue (see note 7 in the generic notes)	709	622
Net gain (loss) on foreign cash balances	206	1 515
TOTAL OTHER INCOME (LOSS)	1 002	2 137
TOTAL INCOME (LOSS)	(132 752)	520 019
EXPENSES (see notes – Fund Specific Information)		
Management fees	91 280	99 474
Administration fees	5 137	5 515
Independent Review Committee costs	2	3
GST/HST	9 667	10 533
Transaction costs	1 417	2 255
Withholding tax	2 712	3 304
TOTAL EXPENSES	110 215	121 084
INCREASE (DECREASE) IN NAV	\$ (242 967)	\$ 398 935
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (218 376)	\$ 352 228
ADVISOR SERIES	\$ (751)	\$ 1 183
SERIES T5	\$ (64)	\$ 73
SERIES T8	\$ (123)	\$ 195
SERIES D	\$ (4 850)	\$ 9 235
SERIES F	\$ (9 847)	\$ 10 724
SERIES I	\$ (7 253)	\$ 19 924
SERIES O	\$ (1 703)	\$ 5 373
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.66)	\$ 0.97
ADVISOR SERIES	\$ (0.67)	\$ 0.99
SERIES T5	\$ (0.61)	\$ 0.91
SERIES T8	\$ (0.39)	\$ 0.51
SERIES D	\$ (0.58)	\$ 1.13
SERIES F	\$ (0.61)	\$ 1.27
SERIES I	\$ (0.50)	\$ 1.39
SERIES O	\$ (0.44)	\$ 1.42

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (242 967)	\$ 398 935
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(17 033)	(9 228)
Net realized loss (gain) on investments	(211 667)	(279 229)
Change in unrealized loss (gain) on investments	500 868	(72 098)
(Increase) decrease in accrued receivables	832	1 490
Increase (decrease) in accrued payables	2 978	574
(Increase) decrease in margin accounts	(6 111)	(1 307)
Cost of investments purchased	(3 674 201)	(3 466 924)
Proceeds from sale and maturity of investments	4 191 123	3 918 257
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	543 822	490 470
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	235 536	267 440
Cash paid on redemption of redeemable units	(775 825)	(753 676)
Distributions paid to holders of redeemable units	(4 039)	(3 995)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (544 328)	\$ (490 231)
Net increase (decrease) in cash for the period	(506)	239
Cash (bank overdraft), beginning of period	1 860	1 621
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 354	\$ 1 860
Interest received (paid)	\$ 70 727	\$ 72 328
Dividends received, net of withholding taxes	\$ 71 282	\$ 73 391

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series T8	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 063 830	\$ 5 291 927	\$ 17 160	\$ 17 857	\$ 1 195	\$ 751	\$ 2 596	\$ 3 944
INCREASE (DECREASE) IN NAV	(218 376)	352 228	(751)	1 183	(64)	73	(123)	195
Early redemption fees	3	2	—	—	—	—	—	—
Proceeds from redeemable units issued	182 727	216 671	1 904	2 280	619	467	825	484
Reinvestments of distributions to holders of redeemable units	138 571	189 817	391	537	28	26	29	21
Redemption of redeemable units	(797 010)	(795 729)	(3 790)	(4 044)	(491)	(71)	(1 037)	(1 797)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(475 709)	(389 239)	(1 495)	(1 227)	156	422	(183)	(1 292)
Distributions from net income	(18 320)	(12 154)	(65)	(40)	(5)	(2)	(205)	(7)
Distributions from net gains	(121 190)	(178 932)	(416)	(613)	(35)	(42)	—	(91)
Distributions from capital	—	—	—	—	(28)	(7)	—	(153)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(139 510)	(191 086)	(481)	(653)	(68)	(51)	(205)	(251)
NET INCREASE (DECREASE) IN NAV	(833 595)	(228 097)	(2 727)	(697)	24	444	(511)	(1 348)
NAV AT END OF PERIOD	\$ 4 230 235	\$ 5 063 830	\$ 14 433	\$ 17 160	\$ 1 219	\$ 1 195	\$ 2 085	\$ 2 596

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series I	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 125 541	\$ 115 887	\$ 193 873	\$ 84 401	\$ 242 039	\$ 228 592
INCREASE (DECREASE) IN NAV	(4 850)	9 235	(9 847)	10 724	(7 253)	19 924
Early redemption fees	1	—	—	—	—	—
Proceeds from redeemable units issued	12 691	15 414	124 408	118 705	10 751	11 508
Reinvestments of distributions to holders of redeemable units	4 592	5 318	8 711	6 232	10 682	12 049
Redemption of redeemable units	(16 291)	(14 904)	(35 987)	(17 728)	(20 470)	(17 985)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	993	5 828	97 132	107 209	963	5 572
Distributions from net income	(1 355)	(1 022)	(3 492)	(1 681)	(4 264)	(3 597)
Distributions from net gains	(3 329)	(4 387)	(7 721)	(6 780)	(6 417)	(8 452)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 684)	(5 409)	(11 213)	(8 461)	(10 681)	(12 049)
NET INCREASE (DECREASE) IN NAV	(8 541)	9 654	76 072	109 472	(16 971)	13 447
NAV AT END OF PERIOD	\$ 117 000	\$ 125 541	\$ 269 945	\$ 193 873	\$ 225 068	\$ 242 039

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 62 877	\$ 56 950	\$ 5 709 111	\$ 5 800 309
INCREASE (DECREASE) IN NAV	(1 703)	5 373	(242 967)	398 935
Early redemption fees	—	—	4	2
Proceeds from redeemable units issued	11 202	10 134	345 127	375 663
Reinvestments of distributions to holders of redeemable units	2 944	3 296	165 948	217 296
Redemption of redeemable units	(10 425)	(9 544)	(885 501)	(861 802)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 721	3 886	(374 422)	(268 841)
Distributions from net income	(1 330)	(1 122)	(29 036)	(19 625)
Distributions from net gains	(1 807)	(2 210)	(140 915)	(201 507)
Distributions from capital	—	—	(28)	(160)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 137)	(3 332)	(169 979)	(221 292)
NET INCREASE (DECREASE) IN NAV	(1 119)	5 927	(787 368)	(91 198)
NAV AT END OF PERIOD	\$ 61 758	\$ 62 877	\$ 4 921 743	\$ 5 709 111

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide capital growth and modest income by investing in a mix of Canadian stocks and fixed-income securities.

Financial instrument risk and capital management (see note 5 in the generic notes)

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.0% (December 31, 2017 – 0.0%) of the NAV of the Fund.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 37.0% (December 31, 2017 – 38.7%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	22.0	25.5
AA	53.8	44.9
A	14.4	18.0
BBB	8.9	8.3
BB	0.5	1.5
B	0.4	1.7
CCC	–	0.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds	39.3	37.4
Canadian Equities	33.5	33.5
United States Equities	8.8	9.6
Underlying Funds	7.2	7.2
International Equities	6.5	9.5
Foreign Bonds	0.4	1.2
Cash/Other	4.3	1.6
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 39.7% (December 31, 2017 – 38.6%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.7	1.8
1 – 5 years	41.6	38.0
5 – 10 years	16.6	23.6
> 10 years	39.1	36.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.1% (December 31, 2017 – 3.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	10.6	12.5
Japanese yen	1.4	2.0
Euro	1.3	2.0
Swedish krona	0.9	0.9
Pound sterling	0.7	1.7
Australian dollar	–	0.6
Swiss franc	–	0.6
Danish krone	–	0.6
Hong Kong dollar	–	0.5
Other currencies	1.9	0.8
Total	16.8	22.2

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.8% (December 31, 2017 – 1.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 086 304	312 850	200	2 399 354
Underlying funds	353 654	–	–	353 654
Fixed-income				
and debt securities	–	1 956 989	–	1 956 989
Short-term investments	–	199 272	–	199 272
Derivatives – assets	762	4 783	–	5 545
Derivatives – liabilities	(5 583)	(2 492)	–	(8 075)
Total financial instruments	2 435 137	2 471 402	200	4 906 739
% of total portfolio	49.6	50.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 443 791	540 495	600	2 984 886
Underlying funds	428 864	–	–	428 864
Fixed-income				
and debt securities	–	2 207 518	–	2 207 518
Short-term investments	–	83 523	–	83 523
Derivatives – assets	937	2 594	–	3 531
Derivatives – liabilities	(1 140)	(2 483)	–	(3 623)
Total financial instruments	2 872 452	2 831 647	600	5 704 699
% of total portfolio	50.4	49.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	600	725
Net purchases	–	–
Net sales	–	–
Net transfers in (out)	–	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	(400)	(125)
Balance at end of period	200	600
Change in unrealized gains (losses) for		
Level 3 assets held at end of period	(400)	(125)

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – 0.0%).



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, unless otherwise negotiated, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.10%
Advisor Series	1.85%	0.10%
Series T5	1.85%	0.10%
Series T8	1.85%	0.10%
Series D	1.10%	0.10%
Series F	0.85%	0.10%
Series I	1.00%	0.02%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	57	54
Series O	641	609
Value of all units	10	10

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Small & Mid-Cap Resources Fund	1.0	23.8	1.4	25.5
RBC Emerging Markets Dividend Fund	0.5	2.2	0.5	3.6
RBC Emerging Markets Equity Fund	3.6	4.1	3.7	5.6
RBC Emerging Markets Foreign Exchange Fund	0.5	2.2	–	–

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets Small-Cap Equity Fund	0.5	4.1	0.5	5.8
RBC U.S. Mid-Cap Growth Equity Fund	0.5	2.8	0.5	3.4
RBC U.S. Mid-Cap Value Equity Fund	0.3	2.3	0.5	4.3
RBC U.S. Small-Cap Core Equity Fund	0.1	3.6	0.1	3.2

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector SPDR Fund	–	–	0.1	–
iShares Dow Jones US Real Estate Index Fund	0.3	0.3	0.2	0.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	354 559	381 744
Issued number of units	12 943	15 187
Reinvested number of units	10 474	13 250
Redeemed number of units	(56 436)	(55 622)
Ending number of units	321 540	354 559
Advisor Series		
Opening units	1 190	1 275
Issued number of units	132	158
Reinvested number of units	29	37
Redeemed number of units	(265)	(280)
Ending number of units	1 086	1 190
Series T5		
Opening units	93	59
Issued number of units	50	38
Reinvested number of units	2	2
Redeemed number of units	(40)	(6)
Ending number of units	105	93

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T8		
Opening units	314	472
Issued number of units	103	58
Reinvested number of units	4	3
Redeemed number of units	(133)	(219)
Ending number of units	288	314
Series D		
Opening units	8 432	8 040
Issued number of units	864	1 034
Reinvested number of units	330	356
Redeemed number of units	(1 104)	(998)
Ending number of units	8 522	8 432
Series F		
Opening units	12 321	5 541
Issued number of units	7 988	7 504
Reinvested number of units	591	395
Redeemed number of units	(2 313)	(1 119)
Ending number of units	18 587	12 321
Series I		
Opening units	14 823	14 487
Issued number of units	664	703
Reinvested number of units	694	736
Redeemed number of units	(1 263)	(1 103)
Ending number of units	14 918	14 823
Series O		
Opening units	3 953	3 709
Issued number of units	716	635
Reinvested number of units	196	207
Redeemed number of units	(665)	(598)
Ending number of units	4 200	3 953

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 417	100	2 255	100
Related-party brokerage commissions*	121	9	169	7
Commission arrangements†	149	11	602	27

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	594 243	662 479
Fair value of collateral received	609 236	677 433

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	968	100	888	100
RBC IS (paid)	(242)	(25)	(243)	(27)
Tax withheld	(17)	(2)	(23)	(3)
Fund revenue	709	73	622	70

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	5 545	(8 075)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	5 545	(8 075)
Related amounts not set-off	(1 780)	1 780
Collateral (received) pledged	(650)	5 583
Net amount	3 115	(712)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	3 531	(3 623)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3 531	(3 623)
Related amounts not set-off	(2 487)	2 487
Collateral (received) pledged	–	129
Net amount	1 044	(1 007)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL BALANCED FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
39 968	BCE Inc.	\$ 2 009	\$ 2 155	
17 700	Cineplex Inc.	641	450	
21 150	Quebecor Inc., Class B	260	608	
31 494	Rogers Communications Inc., Class B	1 198	2 203	
44 121	Shaw Communications Inc., Class B	1 032	1 090	
35 971	TELUS Corp.	1 013	1 628	
		6 153	8 134	1.2
Consumer Discretionary				
22 600	Aritzia Inc.	403	371	
37 100	AutoCanada Inc.	414	421	
5 500	Canada Goose Holdings Inc.	466	328	
3 933	Canadian Tire Corp. Ltd., Class A	551	561	
12 790	Dollarama Inc.	313	415	
28 280	Gildan Activewear Inc., Class A	841	1 172	
10 500	Great Canadian Gaming Corp.	520	503	
19 937	Magna International Inc., Class A	538	1 235	
		4 046	5 006	0.7
Consumer Staples				
34 500	Alimentation Couche-Tard Inc.	553	2 343	
8 181	George Weston Ltd.	676	737	
11 582	Loblaw Companies Ltd.	383	708	
11 941	Maple Leaf Foods Inc.	239	326	
16 100	Metro Inc., Class A	630	762	
2 100	Premium Brands Holdings Corp.	156	157	
26 300	Saputo Group Inc.	1 112	1 031	
		3 749	6 064	0.9
Energy				
93 862	Canadian Natural Resources Ltd.	2 298	3 092	
109 490	Enbridge Inc.	4 508	4 643	
75 800	Encana Corp.	811	597	
34 130	Husky Energy Inc.	1 039	482	
21 284	Imperial Oil Ltd.	883	736	
33 300	Parex Resources Inc.	683	544	
30 959	Pembina Pipeline Corp.	1 139	1 254	
28 803	PrairieSky Royalty Ltd.	930	509	
125 184	Suncor Energy Inc.	4 619	4 773	
54 346	TransCanada Corp.	2 421	2 649	
		19 331	19 279	2.9
Financials				
38 903	Bank of Montreal	1 881	3 470	
78 633	Bank of Nova Scotia	3 048	5 351	
68 069	Brookfield Asset Management Inc., Class A	1 331	3 561	
380	Brookfield Asset Management Inc., Class A, Put @ 48.00 January 18, 2019	55	12	
27 811	Canadian Imperial Bank of Commerce	2 106	2 828	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
104 000	Element Fleet Management Corp.	\$ 748	\$ 719	
1 387	Fairfax Financial Holdings Ltd.	653	834	
7 939	Intact Financial Corp.	572	787	
129 214	Manulife Financial Corporation	2 228	2 503	
20 812	National Bank of Canada	1 012	1 167	
11 138	Onex Corporation	378	828	
66 318	Power Corporation of Canada	1 843	1 627	
92 648	Royal Bank of Canada*	3 819	8 657	
30 603	Sun Life Financial Inc.	977	1 386	
118 711	Toronto-Dominion Bank	3 669	8 056	
		24 320	41 786	6.2
Health Care				
16 700	Canopy Growth Corp.	919	611	
37 400	Chartwell Retirement Residences Real Estate Investment Trust	483	511	
		1 402	1 122	0.2
Industrials				
16 500	Air Canada	218	428	
206 100	Bombardier Inc., Class B	701	418	
22 300	CAE Inc.	342	560	
46 736	Canadian National Railway Co.	1 398	4 725	
11 376	Canadian Pacific Railway Ltd.	2 383	2 756	
24 122	SNC-Lavalin Group Inc.	1 149	1 108	
20 951	Thomson Reuters Corp.	603	1 381	
22 500	Transcontinental Inc., Class A	487	434	
19 051	Waste Connections Inc.	979	1 930	
		8 260	13 740	2.1
Information Technology				
49 999	BlackBerry Ltd.	597	485	
15 763	CGI Group Inc., Class A	448	1 316	
5 500	Kinaxis Inc.	372	362	
26 656	Open Text Corp.	633	1 186	
7 250	Shopify Inc., Class A	917	1 369	
		2 967	4 718	0.7
Materials				
25 700	Agnico Eagle Mines Ltd.	784	1 416	
94 948	Barrick Gold Corp.	2 609	1 750	
48 900	Detour Gold Corp.	729	564	
28 900	Endeavour Mining Corp.	667	646	
58 054	First Quantum Minerals Ltd.	963	641	
84 728	Goldcorp Inc.	2 572	1 133	
51 392	Nutrien Ltd.	3 352	3 295	
173 100	OceanaGold Corp.	756	862	
47 600	Teck Resources Ltd., Class B	1 401	1 399	
40 965	Wheaton Precious Metals Corp.	1 241	1 092	
		15 074	12 798	1.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
23 848	Allied Properties Real Estate Investment Trust	\$ 731	\$ 1 057	
39 939	Brookfield Property Partners LP	770	879	
37 207	Choice Properties Real Estate Investment Trust	444	429	
38 400	First Capital Realty Inc.	834	724	
6 600	FirstService Corp.	667	618	
25 200	RioCan Real Estate Investment Trust	638	600	
		4 084	4 307	0.6
Utilities				
45 600	Algonquin Power & Utilities Corp.	462	626	
18 300	Brookfield Infrastructure Partners LP	849	863	
17 240	Canadian Utilities Ltd., Class A	650	540	
7 900	Emera Inc.	361	345	
32 119	Fortis Inc.	1 278	1 462	
79 600	TransAlta Corp.	589	445	
		4 189	4 281	0.6
TOTAL CANADIAN EQUITIES				
		93 575	121 235	18.0
FOREIGN EQUITIES				
UNITED STATES EQUITIES				
Communication Services				
2 800	Alphabet Inc., Class A	3 259	3 998	
33 900	AT&T Inc.	1 404	1 321	
2 100	Charter Communications Inc.	844	817	
18 900	Comcast Corp., Class A	857	879	
11 700	Facebook Inc., Class A	2 203	2 097	
2 900	Netflix Inc.	958	1 060	
9 400	The Walt Disney Company	1 388	1 407	
9 600	Verizon Communications Inc.	756	737	
		11 669	12 316	1.8
Consumer Discretionary				
2 300	Amazon.com, Inc.	3 739	4 716	
7 200	Dollar General Corp.	786	1 063	
8 099	Home Depot Inc.	1 468	1 901	
6 800	McDonald's Corp.	1 330	1 648	
5 400	Nike Inc.	525	546	
4 300	Ross Stores Inc.	452	488	
5 100	Starbucks Corp.	449	449	
7 900	Target Corporation	731	713	
14 400	TJX Companies Inc.	810	880	
		10 290	12 404	1.9
Consumer Staples				
20 500	Altria Group Inc.	1 595	1 382	
13 600	Mondelez International Inc.	693	743	
10 600	PepsiCo Inc.	1 524	1 599	
12 200	Philip Morris International Inc.	1 385	1 112	
24 900	The Coca-Cola Co.	1 437	1 610	
11 800	The Procter & Gamble Co.	1 201	1 481	
11 100	Walmart Inc.	1 283	1 412	
		9 118	9 339	1.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
8 800	Chevron Corp.	\$ 1 260	\$ 1 307	
18 700	ConocoPhillips	1 491	1 592	
7 200	EOG Resources Inc.	945	857	
18 600	Exxon Mobil Corp.	1 943	1 732	
9 900	Marathon Petroleum Corp.	873	798	
4 700	Phillips 66 Company	661	553	
		7 173	6 839	1.0
Financials				
87 900	Bank of America Corp.	1 875	2 960	
9 600	Berkshire Hathaway Inc., Class B	2 070	2 679	
5 700	Citigroup Inc.	517	405	
4 300	CME Group Inc., Class A	929	1 104	
19 400	JPMorgan Chase & Co.	1 616	2 588	
16 900	MetLife Inc.	910	947	
8 400	PNC Bank Corp.	1 431	1 340	
6 200	Prudential Financial Inc.	767	690	
10 500	The Progressive Corp.	903	865	
14 600	Wells Fargo & Company	1 087	919	
		12 105	14 497	2.2
Health Care				
11 700	Abbott Laboratories	976	1 155	
2 700	Amgen Inc.	589	718	
4 500	Anthem Inc.	1 410	1 613	
9 800	Baxter International Inc.	913	881	
2 100	Becton Dickinson & Co.	725	646	
5 700	Boston Scientific Corp.	272	275	
16 500	Bristol-Myers Squibb Co.	1 170	1 171	
20 100	CVS Health Corp.	1 850	1 798	
5 200	Danaher Corp.	709	732	
4 000	Eli Lilly & Co.	484	632	
1 600	Illumina Inc.	692	656	
11 500	Johnson & Johnson	1 682	2 026	
10 300	Medtronic Plc.	1 026	1 279	
11 500	Merck & Co. Inc.	888	1 201	
29 100	Pfizer Inc.	1 349	1 734	
2 600	Thermo Fisher Scientific Inc.	616	794	
8 100	UnitedHealth Group Incorporated	1 186	2 755	
		16 537	20 066	3.0
Industrials				
4 900	Boeing Co.	1 228	2 157	
2 900	Caterpillar Inc.	470	503	
14 900	CSX Corp.	1 398	1 264	
11 700	Delta Air Lines Inc.	891	797	
9 700	Eaton Corp Plc.	968	909	
42 300	General Electric Company	440	437	
5 300	Honeywell International Inc.	899	956	
5 100	Ingersoll-Rand Plc., Class A	672	635	
4 900	Raytheon Company	954	1 026	
7 400	Union Pacific Corp.	1 141	1 396	
3 500	United Technologies Corp.	589	509	
		9 650	10 589	1.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
2 700	Accenture Plc., Class A	\$ 602	\$ 520	
3 300	Adobe Inc.	914	1 020	
20 300	Apple Inc.	3 593	4 377	
4 800	Applied Materials Inc.	229	215	
2 900	Broadcom Inc.	857	1 007	
31 000	Cisco Systems Inc.	1 244	1 837	
28 200	HP Inc.	904	788	
21 700	Intel Corp.	1 196	1 391	
4 600	International Business Machines	748	714	
5 100	Mastercard Inc.	787	1 313	
37 400	Microsoft Corp.	2 385	5 191	
800	Lam Research Corp.	156	149	
7 900	PayPal Holdings Inc.	811	908	
2 400	Proofpoint Inc.	284	275	
4 800	Salesforce.com Inc.	750	898	
1 200	ServiceNow Inc.	287	291	
6 300	Texas Instruments Inc.	749	813	
9 000	Visa Inc., Class A	1 134	1 622	
		17 630	23 329	3.5
Materials				
4 900	Air Products & Chemicals Inc.	1 046	1 071	
8 300	LyondellBasell Industries N.V.	1 068	942	
		2 114	2 013	0.3
Real Estate				
5 600	Crown Castle International Corp.			
	Real Estate Investment Trust	763	831	
4 300	Simon Property Group Inc.	1 010	986	
		1 773	1 817	0.3
Utilities				
8 200	American Electric Power	759	837	
5 800	Dominion Energy Inc.	567	566	
3 000	Duke Energy Corp.	300	353	
12 400	Exelon Corp.	656	763	
4 100	NextEra Energy Inc.	664	973	
		2 946	3 492	0.5
TOTAL UNITED STATES EQUITIES		101 005	116 701	17.5
INTERNATIONAL EQUITIES				
Australia				
13 570	Commonwealth Bank of Australia	1 099	945	
16 544	CSL Ltd.	1 607	2 950	
59 860	James Hardie Industries Plc., Subscription Receipts	1 103	890	
		3 809	4 785	0.7
China				
52 000	Tencent Holdings Ltd.	1 207	2 845	
		1 207	2 845	0.4
Denmark				
8 565	Christian Hansen Holding A/S	730	1 035	
39 821	Novo Nordisk A/S	1 771	2 493	
21 101	Novozymes A/S	1 221	1 285	
		3 722	4 813	0.7
Finland				
28 783	Sampo OYJ	1 405	1 735	
		1 405	1 735	0.3

Holdings	Security	Cost	Fair Value	% of Net Assets
France				
4 632	EssilorLuxottica	\$ 791	\$ 802	
5 775	Groupe Danone	559	556	
4 237	LVMH Louis Vuitton Moët-Hennessy	1 423	1 694	
		2 773	3 052	0.5
Germany				
10 353	Bayer AG	1 520	985	
6 069	Continental AG	1 384	1 150	
7 283	Fresenius Medical Care AG & Co. KGaA	935	643	
8 316	Henkel KGaA, Preferred Non-Voting	819	1 240	
8 439	Symrise AG	596	855	
		5 254	4 873	0.7
Hong Kong				
187 200	AIA Group Ltd.	1 119	2 123	
		1 119	2 123	0.3
Ireland				
22 135	CRH Plc.	1 028	800	
12 244	Paddy Power Betfair Plc.	1 238	1 365	
12 946	Ryanair Holdings Plc. ADR	634	1 261	
		2 900	3 426	0.5
Japan				
23 400	Asahi Group Holdings Ltd.	1 499	1 238	
36 900	Bridgestone Corp.	1 429	1 933	
34 100	Daiichi Sankyo Co. Ltd.	1 717	1 489	
298 400	Mitsubishi UFJ Financial Group Inc.	2 174	1 999	
7 700	Nitori Co. Ltd.	1 033	1 317	
33 300	Recruit Holdings Co. Ltd.	1 165	1 098	
3 200	SMC Corp.	1 238	1 315	
26 800	SoftBank Group Corp.	2 228	2 396	
19 700	Suzuki Motor Co. Ltd.	1 304	1 356	
12 000	Sysmex Corp.	917	778	
318 200	Yahoo! Japan Corp.	1 937	1 081	
34 900	ZOZO Inc.	1 612	873	
		18 253	16 873	2.5
Netherlands				
4 143	ASML Holding N.V.	940	886	
11 997	Heineken N.V.	1 330	1 448	
97 959	ING Groep N.V.	2 177	1 439	
		4 447	3 773	0.6
Spain				
193 230	CaixaBank S.A.	1 201	955	
		1 201	955	0.1
Sweden				
33 487	Assa Abloy AB	878	816	
19 489	Atlas Copco AB	794	633	
42 252	Swedbank AB	1 052	1 287	
		2 724	2 736	0.4
Switzerland				
5 212	Roche Holdings AG Genussscheine	1 496	1 766	
2 716	Schindler Holding AG	295	736	
6 910	Sika AG	691	1 198	
		2 482	3 700	0.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Taiwan				
222 000	Taiwan Semiconductor Manufacturing Co. Ltd.	\$ 551	\$ 2 201	
		551	2 201	0.3
United Kingdom				
38 901	Ashtead Group Plc.	1 041	1 108	
109 498	Barratt Developments Plc.	1 037	882	
217 058	BT Group Plc.	1 131	901	
9 730	DCC Plc.	1 218	1 013	
38 181	Hargreaves Lansdown Plc.	759	1 229	
21 521	Imperial Brands Plc.	1 050	892	
28 404	London Stock Exchange Group Plc.	1 042	2 012	
65 140	RELX Plc.	1 259	1 830	
51 331	Royal Dutch Shell Plc., A Shares	1 800	2 066	
32 814	Schroders Plc.	1 730	1 395	
75 397	The Sage Group Plc.	780	789	
35 292	Unilever Plc.	1 825	2 530	
		14 672	16 647	2.5
TOTAL INTERNATIONAL EQUITIES		66 519	74 537	11.1
TOTAL FOREIGN EQUITIES		167 524	191 238	28.6
TOTAL EQUITIES		261 099	312 473	46.6

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
34 000	iShares Dow Jones US Real Estate Index Fund	\$ 3 417	\$ 3 478	
958 162	RBC Canadian Small & Mid-Cap Resources Fund*	8 029	4 462	
194 017	RBC Emerging Markets Dividend Fund*	2 012	2 386	
1 455 538	RBC Emerging Markets Equity Fund*	15 897	24 233	
142 877	RBC Emerging Markets Foreign Exchange Fund*	1 405	1 514	
184 436	RBC Emerging Markets Small-Cap Equity Fund*	1 930	2 533	
101 808	RBC High Yield Bond Fund*	1 069	1 030	
164 873	RBC U.S. Mid-Cap Growth Equity Fund*	3 672	6 367	
326 792	RBC U.S. Mid-Cap Value Equity Fund*	3 739	3 776	
76 317	RBC U.S. Small-Cap Core Equity Fund*	851	1 324	
TOTAL UNDERLYING FUNDS		42 021	51 103	7.6

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
600	407 International Inc.	5.750	14-Feb-2036	\$ 620	\$ 743	
250	407 International Inc.	3.830	11-May-2046	276	252	
200	Alectra Inc.	2.488	17-May-2027	200	192	
191	Alliance Pipeline LP	6.765	31-Dec-2025	217	216	
450	AltaGas Ltd.	4.550	17-Jan-2019	473	450	
400	AltaLink LP	3.668	06-Nov-2023	432	416	
300	Bank of Montreal	2.840	04-Jun-2020	311	301	
200	Bank of Montreal	1.880	31-Mar-2021	196	197	
50	Bank of Montreal GBP	1.625	21-Jun-2022	90	87	
250	Bank of Montreal	2.890	20-Jun-2023	250	250	
500	Bank of Nova Scotia	2.270	13-Jan-2020	500	499	
250	Bank of Nova Scotia	2.130	15-Jun-2020	250	248	
500	Bank of Nova Scotia	1.830	27-Apr-2022	500	484	
650	Bank of Nova Scotia	2.360	08-Nov-2022	646	637	
350	Bank of Nova Scotia	2.980	17-Apr-2023	350	351	
500	Bank of Nova Scotia	2.290	28-Jun-2024	500	482	
150	BC Tel	10.650	19-Jun-2021	233	176	
255	BC Tel	9.650	08-Apr-2022	374	304	
100	bcIMC Realty Corp.	2.100	03-Jun-2021	100	99	
300	Bell Canada	3.250	17-Jun-2020	314	302	
350	Bell Canada	2.000	01-Oct-2021	349	340	
290	Bell Canada	3.350	22-Mar-2023	305	290	
500	Bell Canada	3.600	29-Sep-2027	495	492	
800	Bell Canada	6.100	16-Mar-2035	779	943	
350	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	350	362	
100	Brookfield Renewable Energy Partners ULC	5.840	05-Nov-2036	101	110	
400	Caisse Centrale Desjardins	1.748	02-Mar-2020	400	397	
300	Caisse Centrale Desjardins	2.091	17-Jan-2022	300	294	
250	Cameco Corp.	5.670	02-Sep-2019	254	255	
950	Canadian Credit Card Trust II	1.829	24-Mar-2020	950	942	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
2 000	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	\$ 2 000	\$ 1 984	
350	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	350	342	
200	Canadian Imperial Bank of Commerce	2.300	11-Jul-2022	200	196	
450	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	448	451	
500	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	500	498	
300	Canadian Pacific Railway Ltd.	6.450	17-Nov-2039	300	399	
400	Canadian Real Estate Investment Trust	4.323	15-Jan-2021	400	409	
500	Choice Properties LP	3.600	20-Sep-2021	508	505	
500	Choice Properties Real Estate Investment Trust	3.196	07-Mar-2023	497	493	
1 000	CT Real Estate Investment Trust	3.469	16-Jun-2027	967	952	
1 000	Daimler Canada Finance Inc.	2.230	16-Dec-2021	1 000	977	
600	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	587	702	
200	Enbridge Inc.	5.375	27-Sep-2077	200	185	
250	Enbridge Pipelines Inc.	4.490	12-Nov-2019	250	255	
300	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	300	295	
200	Ford Credit Canada Co.	2.580	10-May-2021	197	193	
600	Ford Credit Canada Co.	2.766	22-Jun-2022	590	566	
200	Ford Credit Canada Co.	3.742	08-May-2023	200	191	
250	FortisAlberta Inc.	6.220	31-Oct-2034	275	323	
500	FortisBC Energy Inc.	5.900	26-Feb-2035	529	634	
250	Greater Toronto Airports Authority	6.470	02-Feb-2034	282	336	
200	H&R Real Estate Investment Trust	2.923	06-May-2022	198	196	
500	HSBC Bank Canada	1.816	07-Jul-2020	498	493	
450	HSBC Bank Canada	2.170	29-Jun-2022	450	437	
350	Hydro One Inc.	6.930	01-Jun-2032	426	466	
500	Hydro One Inc.	5.360	20-May-2036	606	595	
500	Inter Pipeline Ltd.	3.173	24-Mar-2025	505	482	
1 000	Loblaw Companies Ltd.	5.900	18-Jan-2036	957	1 140	
200	Manulife Bank of Canada	1.915	01-Sep-2021	200	195	
575	Manulife Financial Corporation	5.059	15-Dec-2041	575	619	
2 000	National Bank of Canada	1.957	30-Jun-2022	1 932	1 941	
500	NAV Canada	4.397	18-Feb-2021	500	519	
750	North West Redwater Partnership	2.800	01-Jun-2027	748	711	
400	OMERS Realty Corp.	3.331	05-Jun-2025	400	406	
400	Pembina Pipeline Corp.	3.540	03-Feb-2025	400	396	
250	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	250	245	
350	Rogers Communications Inc.	4.700	29-Sep-2020	370	361	
210	Rogers Communications Inc.	5.340	22-Mar-2021	241	220	
300	Rogers Communications Inc.	6.110	25-Aug-2040	301	354	
600	Royal Bank of Canada*	2.030	15-Mar-2021	602	592	
1 000	Royal Bank of Canada*	1.583	13-Sep-2021	984	970	
1 700	Royal Bank of Canada*	2.949	01-May-2023	1 700	1 704	
250	Shaw Communications Inc.	5.650	01-Oct-2019	280	255	
330	Shaw Communications Inc.	3.800	02-Nov-2023	330	332	
500	Shaw Communications Inc.	6.750	09-Nov-2039	509	596	
635	Sun Life Financial Inc.	5.400	29-May-2042	634	731	
300	TELUS Corp.	2.350	28-Mar-2022	294	293	
500	TELUS Corp.	3.750	17-Jan-2025	507	505	
250	Teranet Holdings LP	4.807	16-Dec-2020	270	257	
350	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	350	350	
340	Thomson Reuters Corp.	3.309	12-Nov-2021	340	343	
350	Toronto-Dominion Bank	2.045	08-Mar-2021	344	346	
1 700	Toronto-Dominion Bank	3.005	30-May-2023	1 700	1 710	
1 000	Toyota Credit Canada Inc.	2.350	18-Jul-2022	1 000	980	
250	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	250	255	
500	Union Gas Ltd.	4.850	25-Apr-2022	557	532	
500	Union Gas Ltd.	3.190	17-Sep-2025	511	502	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
500	Union Gas Ltd.	5.200	23-Jul-2040	\$ 498	\$ 594	
250	Union Gas Ltd.	4.200	02-Jun-2044	285	262	
500	Wells Fargo Canada Corp.	3.040	29-Jan-2021	501	502	
250	Westcoast Energy Inc.	6.750	15-Dec-2027	283	305	
				43 981	44 689	6.7
FEDERAL						
3 300	Government of Canada	0.500	01-Mar-2022	3 137	3 162	
1 150	Government of Canada	1.750	01-Mar-2023	1 130	1 144	
1 940	Government of Canada	1.500	01-Jun-2023	1 908	1 910	
900	Government of Canada	2.500	01-Jun-2024	904	929	
2 275	Government of Canada	1.000	01-Jun-2027	2 039	2 110	
1 000	Government of Canada	2.000	01-Jun-2028	994	1 003	
615	Government of Canada	5.750	01-Jun-2033	757	896	
450	Government of Canada	3.500	01-Dec-2045	615	569	
				11 484	11 723	1.8
PROVINCIAL						
500	Province of New Brunswick	3.800	14-Aug-2045	524	533	
2 500	Province of Nova Scotia	4.900	01-Jun-2035	2 509	3 059	
2 080	Province of Ontario	4.200	02-Jun-2020	2 230	2 142	
1 250	Province of Ontario	4.000	02-Jun-2021	1 376	1 303	
6 800	Province of Ontario USD	2.500	10-Sep-2021	9 678	9 217	
1 303	Province of Ontario USD	2.400	08-Feb-2022	1 658	1 755	
1 070	Province of Ontario USD	2.250	18-May-2022	1 343	1 431	
3 900	Province of Ontario	3.150	02-Jun-2022	3 936	4 004	
2 000	Province of Ontario USD	2.200	03-Oct-2022	2 491	2 667	
1 300	Province of Ontario	2.850	02-Jun-2023	1 327	1 321	
400	Province of Ontario	3.500	02-Jun-2024	422	419	
1 300	Province of Ontario	2.600	02-Jun-2025	1 347	1 298	
1 520	Province of Ontario	2.400	02-Jun-2026	1 512	1 489	
1 000	Province of Ontario	2.900	02-Jun-2028	988	1 007	
4 500	Province of Ontario	4.700	02-Jun-2037	4 487	5 469	
500	Province of Ontario	4.600	02-Jun-2039	508	607	
2 400	Province of Ontario	3.450	02-Jun-2045	2 270	2 505	
1 000	Province of Ontario	2.900	02-Dec-2046	931	944	
1 100	Province of Ontario	2.800	02-Jun-2048	996	1 019	
180	Province of Quebec GBP	0.875	24-May-2022	292	308	
2 200	Province of Quebec	3.000	01-Sep-2023	2 283	2 254	
600	Province of Quebec	3.750	01-Sep-2024	647	639	
155	Province of Quebec	5.000	01-Dec-2038	187	198	
1 350	Province of Quebec	5.000	01-Dec-2041	1 471	1 758	
500	Province of Quebec	4.250	01-Dec-2043	522	595	
3 100	Province of Quebec	3.500	01-Dec-2045	3 393	3 296	
				49 328	51 237	7.7
TOTAL CANADIAN BONDS				104 793	107 649	16.2
FOREIGN BONDS						
Australia						
2 672	Australia Government AUD	2.250	21-May-2028	2 473	2 554	
				2 473	2 554	0.4
Austria						
1 230	Austria Government EUR	0.500	20-Apr-2027	1 833	1 942	
				1 833	1 942	0.3
Belgium						
2 803	Belgium Government EUR	2.600	22-Jun-2024	4 688	4 984	
315	Belgium Government EUR	4.250	28-Mar-2041	753	739	
				5 441	5 723	0.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Denmark						
6 150	Denmark Government DKK	1.500	15-Nov-2023	\$ 1 374	\$ 1 399	
				1 374	1 399	0.2
France						
760	France O.A.T. EUR	3.000	25-Apr-2022	1 268	1 321	
820	France O.A.T. EUR	0.500	25-May-2026	1 206	1 296	
3 105	France O.A.T. EUR	1.250	25-May-2036	4 563	4 855	
435	France O.A.T. EUR	1.750	25-May-2066	603	658	
				7 640	8 130	1.2
Finland						
55	Finland Government EUR	1.375	15-Apr-2047	84	91	
				84	91	—
Germany						
910	Bundesrepublik Deutschland EUR	1.500	04-Sep-2022	1 505	1 528	
598	Bundesrepublik Deutschland EUR	0.500	15-Feb-2026	928	973	
2 090	Bundesrepublik Deutschland EUR	4.000	04-Jan-2037	4 890	5 154	
				7 323	7 655	1.1
Ireland						
400	Ireland Government EUR	3.400	18-Mar-2024	689	731	
250	Ireland Government EUR	1.700	15-May-2037	339	399	
				1 028	1 130	0.2
Italy						
1 594	Buoni Poliennali Del Tesoro EUR	0.650	01-Nov-2020	2 380	2 500	
5 390	Buoni Poliennali Del Tesoro EUR	0.450	01-Jun-2021	8 732	8 374	
6 030	Buoni Poliennali Del Tesoro EUR	1.450	15-Sep-2022	9 189	9 452	
633	Buoni Poliennali Del Tesoro EUR	2.000	01-Feb-2028	898	948	
1 068	Buoni Poliennali Del Tesoro EUR	2.250	01-Sep-2036	1 494	1 488	
585	Buoni Poliennali Del Tesoro EUR	3.450	01-Mar-2048	885	907	
				23 578	23 669	3.5
Japan						
113 000	Development Bank of Japan Inc. JPY	1.700	20-Sep-2022	1 542	1 499	
60 000	Development Bank of Japan Inc. JPY	1.050	20-Jun-2023	794	782	
760	Japan Finance Organization for Municipalities EUR	0.875	22-Sep-2021	1 111	1 219	
183 250	Japan Government Ten Year JPY	0.100	20-Sep-2027	2 087	2 318	
6 200	Japan Government Twenty Year JPY	0.200	20-Jun-2036	72	75	
1 204 700	Japan Government Twenty Year JPY	0.500	20-Sep-2036	14 684	15 242	
70 000	Japan Government Twenty Year JPY	0.600	20-Sep-2037	801	894	
69 000	Japan Government Thirty Year JPY	1.500	20-Dec-2044	888	1 034	
65 400	Japan Government Thirty Year JPY	0.300	20-Jun-2046	740	737	
33 600	Japan Government Forty Year JPY	0.400	20-Mar-2056	334	364	
				23 053	24 164	3.6
Mexico						
35 450	Mexican Bonos MXN	8.500	31-May-2029	2 222	2 425	
				2 222	2 425	0.4
Netherlands						
510	Netherlands Government EUR	0.750	15-Jul-2027	798	829	
400	Netherlands Government EUR	2.750	15-Jan-2047	857	910	
				1 655	1 739	0.3
Portugal						
575	Portugal Obrigacoes do Tesouro EUR	4.800	15-Jun-2020	924	967	
700	Portugal Obrigacoes do Tesouro EUR	2.200	17-Oct-2022	1 086	1 181	
				2 010	2 148	0.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Romania						
120	Romanian Government EUR	2.875	28-Oct-2024	\$ 180	\$ 205	
250	Romanian Government EUR	2.875	11-Mar-2029	367	380	
120	Romanian Government EUR	2.500	08-Feb-2030	183	175	
				730	760	0.1
South Korea						
250	The Korea Development Bank AUD	4.500	22-Nov-2019	252	244	
				252	244	—
Spain						
4 867	Spain Government EUR	1.150	30-Jul-2020	7 333	7 794	
3 365	Spain Government EUR	0.450	31-Oct-2022	5 185	5 334	
1 480	Spain Government EUR	0.350	30-Jul-2023	2 264	2 317	
770	Spain Government EUR	1.450	31-Oct-2027	1 101	1 222	
510	Spain Government EUR	4.700	30-Jul-2041	1 042	1 127	
250	Spain Government EUR	2.700	31-Oct-2048	403	399	
				17 328	18 193	2.7
Supranational						
777	Asian Development Bank GBP	0.750	24-Mar-2022	1 283	1 335	
				1 283	1 335	0.2
United Kingdom						
1 890	United Kingdom Gilt GBP	1.250	22-Jul-2027	3 217	3 310	
925	United Kingdom Gilt GBP	4.500	07-Sep-2034	2 169	2 252	
2 245	United Kingdom Gilt GBP	3.250	22-Jan-2044	4 819	5 010	
				10 205	10 572	1.6
United States						
7 550	United States Treasury	1.500	31-Jan-2022	9 680	10 016	
9 981	United States Treasury	1.750	15-May-2023	12 796	13 206	
4 460	United States Treasury	2.375	15-May-2027	5 492	5 966	
3 800	United States Treasury	2.750	15-Feb-2028	4 838	5 217	
1 382	United States Treasury	3.500	15-Feb-2039	2 084	2 067	
400	United States Treasury	4.375	15-Nov-2039	660	670	
6 058	United States Treasury	2.500	15-Feb-2045	7 219	7 500	
623	United States Treasury Inflation Indexed	1.000	15-Feb-2048	795	808	
				43 564	45 450	6.8
TOTAL FOREIGN BONDS				153 076	159 323	23.8
TOTAL BONDS				257 869	266 972	40.0
SHORT-TERM INVESTMENTS[†]						
22 120	Bank of Montreal			22 083	22 083	
5 530	Bank of Nova Scotia			5 520	5 520	
3 430	Canadian Imperial Bank of Commerce			3 423	3 423	
5 414	Government of Canada Treasury Bills			5 374	5 374	
6 980	Toronto-Dominion Bank			6 968	6 968	
				43 368	43 368	6.5
TOTAL SHORT-TERM INVESTMENTS				604 357	673 916	100.7
TOTAL INVESTMENTS						
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)				—	10	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)				—	(1 121)	(0.2)
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	1 906	0.3
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)				—	(8 017)	(1.2)
TOTAL PORTFOLIO				\$ 604 357	666 694	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					2 918	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 669 612	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
5	The S&P 500 Mini Index Future, March 2019 Contracts at USD 2 474.92 per contract	\$ 836 \$ 10
	\$ 836	\$ 10
Number of Contracts	Contracted Value	Unrealized Loss
70	Japanese Nikkei 225 Index Future, March 2019 Contracts at JPY 21 270.00 per contract	\$ 8 810 \$ (635)
25	Mini MSCI Emerging Markets Index Future, March 2019 Contracts at USD 974.60 per contract	1 630 (13)
108	The Dow Jones Euro STOXX 50 Future, March 2019 Contracts at EUR 3 101.00 per contract	5 080 (215)
15	The S&P ASX 200 Index Future, March 2019 Contracts at AUD 5 632.54 per contract	2 019 (26)
43	The S&P/TSX 60 Index Future, March 2019 Contracts at CAD 876.50 per contract	7 538 (165)
23	United Kingdom New FTSE 100 Future, March 2019 Contracts at GBP 6 827.50 per contract	2 648 (67)
	\$ 27 725	\$ (1 121)
TOTAL FUTURES	\$ 28 561	\$ (1 111)

\$3 700 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 28 Sold USD 21 @ 1.3657	03-Jan-2019	\$ —
Bought CAD 52 Sold JPY 4 200 @ 0.0124	03-Jan-2019	—
Bought CAD 11 Sold GBP 6 @ 1.7395	03-Jan-2019	—
Bought CAD 83 Sold AUD 86 @ 0.9615	03-Jan-2019	—
Bought EUR 8 Sold CAD 12 @ 0.6405	03-Jan-2019	—
Bought JPY 90 000 Sold CAD 1 054 @ 85.3600	08-Jan-2019	67
Bought JPY 30 925 Sold CAD 371 @ 83.2860	08-Jan-2019	14
Bought DKK 485 Sold CAD 97 @ 4.9757	09-Jan-2019	4
Bought PHP 15 010 Sold CAD 354 @ 42.4250	09-Jan-2019	36
Bought PLN 3 550 Sold CAD 1 221 @ 2.9077	10-Jan-2019	74
Bought USD 33 Sold CAD 44 @ 0.7580	11-Jan-2019	2
Bought USD 1 910 Sold CAD 2 527 @ 0.7559	14-Jan-2019	80
Bought USD 975 Sold CAD 1 329 @ 0.7338	14-Jan-2019	2
Bought ZAR 2 057 Sold CAD 194 @ 10.6195	14-Jan-2019	1
Bought AUD 1 850 Sold CAD 1 771 @ 1.0447	15-Jan-2019	8
Bought JPY 170 000 Sold CAD 2 006 @ 84.7407	15-Jan-2019	112
Bought BRL 2 053 Sold CAD 672 @ 3.0547	16-Jan-2019	50
Bought BRL 1 890 Sold CAD 619 @ 3.0520	16-Jan-2019	46
Bought CAD 403 Sold BRL 1 145 @ 0.3520	16-Jan-2019	—
Bought DKK 6 618 Sold CAD 1 331 @ 4.9724	16-Jan-2019	57
Bought EUR 400 Sold CAD 602 @ 0.6643	16-Jan-2019	24
Bought EUR 1 337 Sold CAD 2 065 @ 0.6475	16-Jan-2019	28
Bought JPY 45 000 Sold CAD 555 @ 81.0930	16-Jan-2019	6
Bought EUR 1 839 Sold CAD 2 772 @ 0.6634	17-Jan-2019	107
Bought USD 1 066 Sold EUR 915 @ 1.1650	17-Jan-2019	22
Bought DKK 537 Sold CAD 108 @ 4.9722	18-Jan-2019	5
Bought GBP 1 389 Sold CAD 2 351 @ 0.5907	18-Jan-2019	67
Bought SEK 41 895 Sold CAD 6 118 @ 6.8481	18-Jan-2019	340
Bought USD 20 Sold CAD 26 @ 0.7646	18-Jan-2019	1
Bought GBP 350 Sold CAD 595 @ 0.5884	22-Jan-2019	14
Bought JPY 50 000 Sold CAD 581 @ 86.0697	22-Jan-2019	42
Bought JPY 64 440 Sold CAD 763 @ 84.4802	23-Jan-2019	41
Bought SEK 10 756 Sold CAD 1 608 @ 6.6879	23-Jan-2019	51
Bought GBP 285 Sold CAD 487 @ 0.5856	24-Jan-2019	10
Bought EUR 300 Sold CAD 451 @ 0.6656	25-Jan-2019	19
Bought CAD 9 Sold EUR 6 @ 1.5135	28-Jan-2019	—
Bought USD 33 Sold CAD 43 @ 0.7628	28-Jan-2019	2
Bought USD 2 900 Sold CAD 3 886 @ 0.7463	28-Jan-2019	70
Bought MXN 10 181 Sold CAD 666 @ 15.2885	31-Jan-2019	37
Bought HUF 278 455 Sold CAD 1 309 @ 212.7700	05-Feb-2019	50
Bought USD 906 Sold CAD 1 188 @ 0.7627	08-Feb-2019	48
Bought SEK 2 263 Sold CAD 332 @ 6.8201	11-Feb-2019	18
Bought CAD 38 Sold USD 28 @ 1.3585	12-Feb-2019	—
Bought JPY 285 000 Sold CAD 3 337 @ 85.4080	12-Feb-2019	220
Bought EUR 987 Sold CAD 1 518 @ 0.6501	20-Feb-2019	30
Bought CAD 356 Sold RUB 18 061 @ 0.0197	25-Feb-2019	6
Bought CAD 16 Sold USD 12 @ 1.3253	26-Feb-2019	—
Bought GBP 221 Sold CAD 376 @ 0.5875	26-Feb-2019	9



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought NOK 4 323 Sold CAD 668 @ 6.4743	27-Feb-2019	\$ 16
Bought CAD 12 Sold GBP 7 @ 1.6948	01-Mar-2019	—
Bought GBP 394 Sold CAD 673 @ 0.5855	01-Mar-2019	14
Bought USD 2 813 Sold CAD 3 820 @ 0.7364	04-Mar-2019	15
Bought CAD 66 Sold AUD 69 @ 0.9595	06-Mar-2019	—
Bought CAD 421 Sold AUD 434 @ 0.9709	11-Mar-2019	4
Bought SEK 2 670 Sold CAD 400 @ 6.6724	11-Mar-2019	13
Bought PLN 887 Sold CAD 314 @ 2.8219	19-Mar-2019	9
Bought USD 1 200 Sold CAD 1 620 @ 0.7405	19-Mar-2019	15
		\$ 1 906

Contracts	Maturity Date	Unrealized Loss
Bought CAD 6 069 Sold JPY 526 084 @ 0.0115	08-Jan-2019	\$ (484)
Bought CAD 647 Sold USD 500 @ 1.2940	08-Jan-2019	(35)
Bought CAD 326 Sold MXN 4 778 @ 0.0682	09-Jan-2019	(6)
Bought CAD 97 Sold DKK 485 @ 0.1999	09-Jan-2019	(5)
Bought CAD 368 Sold PHP 15 010 @ 0.0245	09-Jan-2019	(22)
Bought CAD 1 225 Sold PLN 3 550 @ 0.3450	10-Jan-2019	(70)
Bought CAD 193 Sold SEK 1 302 @ 0.1482	11-Jan-2019	(8)
Bought CAD 1 273 Sold EUR 830 @ 1.5340	11-Jan-2019	(26)
Bought CAD 1 003 Sold USD 760 @ 1.3192	11-Jan-2019	(35)
Bought CAD 2 194 Sold USD 1 718 @ 1.2771	14-Jan-2019	(151)
Bought CAD 125 Sold ZAR 1 400 @ 0.0895	14-Jan-2019	(7)
Bought CAD 61 Sold ZAR 657 @ 0.0926	14-Jan-2019	(1)
Bought CAD 389 Sold SEK 2 710 @ 0.1436	15-Jan-2019	(29)
Bought CAD 584 Sold JPY 51 120 @ 0.0114	15-Jan-2019	(53)
Bought CAD 1 122 Sold AUD 1 190 @ 0.9427	15-Jan-2019	(22)
Bought CAD 119 Sold EUR 80 @ 1.4907	16-Jan-2019	(6)
Bought CAD 474 Sold USD 365 @ 1.2980	16-Jan-2019	(24)
Bought CAD 1 348 Sold DKK 6 618 @ 0.2037	16-Jan-2019	(39)
Bought CAD 1 540 Sold GBP 922 @ 1.6702	17-Jan-2019	(65)
Bought AUD 1 015 Sold CAD 976 @ 1.0394	18-Jan-2019	(1)
Bought CAD 1 025 Sold USD 800 @ 1.2808	18-Jan-2019	(67)
Bought CAD 444 Sold DKK 2 223 @ 0.1996	18-Jan-2019	(23)
Bought CAD 5 460 Sold EUR 3 638 @ 1.5008	18-Jan-2019	(236)
Bought CAD 6 528 Sold GBP 3 772 @ 1.7305	18-Jan-2019	(39)
Bought CAD 803 Sold AUD 865 @ 0.9280	18-Jan-2019	(29)
Bought CAD 303 Sold MXN 4 700 @ 0.0644	18-Jan-2019	(23)
Bought CAD 2 055 Sold SEK 14 007 @ 0.1467	18-Jan-2019	(104)
Bought CAD 608 Sold EUR 400 @ 1.5207	18-Jan-2019	(18)
Bought CAD 202 Sold USD 149 @ 1.3527	18-Jan-2019	(2)
Bought CAD 4 471 Sold JPY 395 588 @ 0.0113	22-Jan-2019	(460)
Bought CAD 1 184 Sold GBP 696 @ 1.7008	22-Jan-2019	(28)
Bought CAD 3 384 Sold USD 2 600 @ 1.3016	22-Jan-2019	(163)
Bought CAD 1 758 Sold USD 1 364 @ 1.2891	23-Jan-2019	(103)
Bought CAD 613 Sold JPY 52 200 @ 0.0117	23-Jan-2019	(38)
Bought CAD 313 Sold DKK 1 544 @ 0.2029	23-Jan-2019	(11)

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 852 Sold GBP 506 @ 1.6830	23-Jan-2019	\$ (29)
Bought CAD 1 308 Sold USD 1 000 @ 1.3078	23-Jan-2019	(57)
Bought CAD 91 Sold SEK 613 @ 0.1478	23-Jan-2019	(4)
Bought CAD 291 Sold GBP 170 @ 1.7119	24-Jan-2019	(5)
Bought CAD 858 Sold USD 657 @ 1.3054	24-Jan-2019	(39)
Bought CAD 732 Sold DKK 3 634 @ 0.2013	24-Jan-2019	(31)
Bought CAD 1 713 Sold USD 1 310 @ 1.3080	24-Jan-2019	(74)
Bought CAD 527 Sold USD 400 @ 1.3184	24-Jan-2019	(18)
Bought CAD 3 750 Sold EUR 2 502 @ 1.4987	25-Jan-2019	(169)
Bought CAD 67 Sold JPY 5 742 @ 0.0116	25-Jan-2019	(5)
Bought CAD 1 696 Sold GBP 1 007 @ 1.6844	25-Jan-2019	(57)
Bought CAD 1 404 Sold EUR 941 @ 1.4923	25-Jan-2019	(70)
Bought CAD 2 534 Sold EUR 1 694 @ 1.4958	25-Jan-2019	(120)
Bought CAD 1 327 Sold USD 1 000 @ 1.3265	25-Jan-2019	(38)
Bought CAD 239 Sold USD 185 @ 1.2895	28-Jan-2019	(14)
Bought CAD 597 Sold GBP 348 @ 1.7143	28-Jan-2019	(9)
Bought CAD 1 822 Sold USD 1 394 @ 1.3068	28-Jan-2019	(80)
Bought CAD 1 466 Sold USD 1 100 @ 1.3326	28-Jan-2019	(35)
Bought CAD 130 Sold SEK 890 @ 0.1462	29-Jan-2019	(7)
Bought CAD 1 233 Sold USD 950 @ 1.2983	29-Jan-2019	(63)
Bought CAD 262 Sold USD 200 @ 1.3077	29-Jan-2019	(11)
Bought CAD 663 Sold USD 500 @ 1.3262	29-Jan-2019	(19)
Bought CAD 5 139 Sold USD 3 970 @ 1.2943	30-Jan-2019	(277)
Bought USD 913 Sold EUR 801 @ 1.1401	30-Jan-2019	(9)
Bought CAD 272 Sold GBP 159 @ 1.7124	31-Jan-2019	(5)
Bought CAD 4 467 Sold EUR 2 944 @ 1.5174	31-Jan-2019	(146)
Bought CAD 443 Sold USD 339 @ 1.3076	31-Jan-2019	(19)
Bought CAD 677 Sold MXN 10 181 @ 0.0665	31-Jan-2019	(26)
Bought CAD 920 Sold USD 699 @ 1.3165	01-Feb-2019	(33)
Bought CAD 10 631 Sold USD 8 143 @ 1.3055	04-Feb-2019	(476)
Bought CAD 152 Sold AUD 161 @ 0.9421	04-Feb-2019	(3)
Bought CAD 285 Sold JPY 24 500 @ 0.0116	04-Feb-2019	(21)
Bought CAD 3 047 Sold USD 2 326 @ 1.3098	05-Feb-2019	(126)
Bought CAD 1 285 Sold HUF 278 455 @ 0.0046	05-Feb-2019	(74)
Bought CAD 15 811 Sold EUR 10 505 @ 1.5051	05-Feb-2019	(655)
Bought CAD 256 Sold JPY 21 794 @ 0.0117	06-Feb-2019	(16)
Bought CAD 5 785 Sold EUR 3 851 @ 1.5022	06-Feb-2019	(252)
Bought CAD 1 606 Sold GBP 930 @ 1.7269	06-Feb-2019	(14)
Bought CAD 1 299 Sold EUR 860 @ 1.5100	06-Feb-2019	(50)
Bought CAD 2 711 Sold USD 2 069 @ 1.3104	07-Feb-2019	(111)
Bought CAD 570 Sold USD 434 @ 1.3137	08-Feb-2019	(22)
Bought CAD 316 Sold JPY 27 056 @ 0.0117	08-Feb-2019	(22)
Bought CAD 309 Sold USD 235 @ 1.3158	08-Feb-2019	(11)
Bought CAD 126 Sold USD 93 @ 1.3526	08-Feb-2019	(1)
Bought CAD 993 Sold JPY 80 000 @ 0.0124	08-Feb-2019	(5)
Bought CAD 1 263 Sold USD 967 @ 1.3065	11-Feb-2019	(55)
Bought CAD 341 Sold SEK 2 263 @ 0.1509	11-Feb-2019	(8)
Bought CAD 675 Sold USD 516 @ 1.3089	12-Feb-2019	(28)
Bought CAD 2 922 Sold USD 2 200 @ 1.3281	12-Feb-2019	(78)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE B (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 124 Sold EUR 1 400 @ 1.5173	12-Feb-2019	\$ (71)
Bought CAD 946 Sold MXN 14 590 @ 0.0648	13-Feb-2019	(60)
Bought CAD 776 Sold MXN 11 867 @ 0.0654	13-Feb-2019	(42)
Bought CAD 4 199 Sold EUR 2 796 @ 1.5018	14-Feb-2019	(186)
Bought CAD 200 Sold USD 150 @ 1.3321	14-Feb-2019	(5)
Bought CAD 75 Sold SEK 510 @ 0.1470	15-Feb-2019	(4)
Bought CAD 439 Sold SEK 2 961 @ 0.1483	15-Feb-2019	(18)
Bought CAD 2 203 Sold EUR 1 430 @ 1.5407	19-Feb-2019	(40)
Bought CAD 1 333 Sold USD 1 006 @ 1.3253	20-Feb-2019	(38)
Bought CAD 3 301 Sold EUR 2 180 @ 1.5142	20-Feb-2019	(119)
Bought CAD 1 369 Sold EUR 907 @ 1.5095	21-Feb-2019	(54)
Bought CAD 612 Sold USD 466 @ 1.3127	21-Feb-2019	(24)
Bought CAD 383 Sold JPY 32 390 @ 0.0118	21-Feb-2019	(22)
Bought CAD 1 395 Sold GBP 819 @ 1.7039	22-Feb-2019	(31)
Bought CAD 3 471 Sold EUR 2 296 @ 1.5117	25-Feb-2019	(132)
Bought CAD 2 102 Sold USD 1 597 @ 1.3163	25-Feb-2019	(75)
Bought CAD 259 Sold SEK 1 770 @ 0.1463	25-Feb-2019	(15)
Bought RUB 18 061 Sold CAD 358 @ 50.5000	25-Feb-2019	(7)
Bought CAD 391 Sold JPY 33 000 @ 0.0119	26-Feb-2019	(21)
Bought CAD 1 257 Sold GBP 740 @ 1.6991	28-Feb-2019	(32)
Bought CAD 1 225 Sold EUR 810 @ 1.5125	01-Mar-2019	(46)
Bought CAD 264 Sold USD 200 @ 1.3181	01-Mar-2019	(9)
Bought CAD 778 Sold EUR 500 @ 1.5564	01-Mar-2019	(7)
Bought CAD 663 Sold USD 500 @ 1.3260	04-Mar-2019	(19)
Bought CAD 1 169 Sold EUR 750 @ 1.5592	04-Mar-2019	(8)
Bought CAD 1 758 Sold EUR 1 166 @ 1.5080	06-Mar-2019	(73)
Bought CAD 168 Sold GBP 98 @ 1.7190	06-Mar-2019	(2)
Bought CAD 286 Sold JPY 23 871 @ 0.0120	06-Mar-2019	(12)
Bought CAD 2 983 Sold EUR 1 979 @ 1.5074	07-Mar-2019	(124)
Bought CAD 400 Sold SEK 2 670 @ 0.1499	11-Mar-2019	(13)
Bought CAD 448 Sold USD 339 @ 1.3204	12-Mar-2019	(14)
Bought CAD 211 Sold GBP 125 @ 1.6908	12-Mar-2019	(7)
Bought CAD 6 473 Sold JPY 543 101 @ 0.0119	12-Mar-2019	(318)
Bought CAD 610 Sold JPY 50 000 @ 0.0122	12-Mar-2019	(16)
Bought CAD 4 771 Sold EUR 3 130 @ 1.5244	13-Mar-2019	(146)
Bought CAD 833 Sold USD 624 @ 1.3348	14-Mar-2019	(18)
Bought CAD 181 Sold USD 135 @ 1.3375	15-Mar-2019	(3)
Bought CAD 373 Sold GBP 220 @ 1.6941	18-Mar-2019	(11)
Bought CAD 9 833 Sold USD 7 350 @ 1.3378	19-Mar-2019	(184)
Bought CAD 2 137 Sold USD 1 600 @ 1.3357	19-Mar-2019	(43)
Bought CAD 317 Sold PLN 887 @ 0.3569	19-Mar-2019	(7)
Bought CAD 987 Sold AUD 1 030 @ 0.9583	21-Mar-2019	(3)
Bought CAD 224 Sold EUR 147 @ 1.5259	22-Mar-2019	(7)
Bought CAD 135 Sold USD 100 @ 1.3486	25-Mar-2019	(1)
		\$ (8 017)
TOTAL FOREIGN EXCHANGE		\$ (6 111)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 1.61% to 2.28% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 673 916	\$ 726 257
Cash	730	395
Subscriptions receivable	272	346
Unrealized gain on futures contracts	10	34
Futures contracts margin receivable	1 108	61
Unrealized gain on foreign exchange contracts	1 906	1 927
Dividends receivable, interest accrued and other assets	2 167	2 071
TOTAL ASSETS	680 109	731 091
LIABILITIES		
Due to investment dealers	–	1 051
Redemptions payable	193	353
Unrealized loss on futures contracts	1 121	93
Unrealized loss on foreign exchange contracts	8 017	1 290
Distributions payable	40	33
Accounts payable and accrued expenses	1 126	1 265
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	10 497	4 085
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 669 612	\$ 727 006
Investments at cost	\$ 604 357	\$ 615 152
NAV		
SERIES A	\$ 550 586	\$ 630 441
ADVISOR SERIES	\$ 9 848	\$ 9 145
SERIES T5	\$ 641	\$ 495
SERIES T8	\$ 5 720	\$ 5 340
SERIES D	\$ 23 819	\$ 24 797
SERIES F	\$ 44 335	\$ 28 371
SERIES O	\$ 34 663	\$ 28 417
NAV PER UNIT		
SERIES A	\$ 15.98	\$ 17.02
ADVISOR SERIES	\$ 16.13	\$ 17.18
SERIES T5	\$ 12.69	\$ 13.78
SERIES T8	\$ 7.48	\$ 8.39
SERIES D	\$ 17.61	\$ 18.59
SERIES F	\$ 19.06	\$ 20.07
SERIES O	\$ 20.16	\$ 21.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 9 068	\$ 9 011
Interest for distribution purposes	6 823	6 324
Income from investment trusts	2 759	1 679
Derivative income	(1 610)	6 135
Net realized gain (loss) on investments	25 763	31 497
Change in unrealized gain (loss) on investments	(48 294)	15 816
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(5 491)	70 462
Other income (loss)	130	–
Securities lending revenue (see note 7 in the generic notes)	111	110
Net gain (loss) on foreign cash balances	31	242
TOTAL OTHER INCOME (LOSS)	272	352
TOTAL INCOME (LOSS)	(5 219)	70 814
EXPENSES (see notes – Fund Specific Information)		
Management fees	11 980	12 485
Administration fees	984	1 023
Independent Review Committee costs	2	3
GST/HST	1 276	1 331
Transaction costs	247	361
Withholding tax	663	680
TOTAL EXPENSES	15 152	15 883
INCREASE (DECREASE) IN NAV	\$ (20 371)	\$ 54 931
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (17 786)	\$ 48 057
ADVISOR SERIES	\$ (327)	\$ 634
SERIES T5	\$ (22)	\$ 36
SERIES T8	\$ (199)	\$ 445
SERIES D	\$ (575)	\$ 1 827
SERIES F	\$ (1 020)	\$ 1 668
SERIES O	\$ (442)	\$ 2 264
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.51)	\$ 1.28
ADVISOR SERIES	\$ (0.55)	\$ 1.30
SERIES T5	\$ (0.49)	\$ 1.05
SERIES T8	\$ (0.25)	\$ 0.64
SERIES D	\$ (0.42)	\$ 1.54
SERIES F	\$ (0.52)	\$ 1.75
SERIES O	\$ (0.29)	\$ 2.04



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (20 371)	\$ 54 931
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	(11)
Non-cash distributions from underlying funds	(2 570)	(1 624)
Net realized loss (gain) on investments	(25 468)	(30 917)
Change in unrealized loss (gain) on investments	48 294	(15 816)
(Increase) decrease in accrued receivables	(72)	(23)
Increase (decrease) in accrued payables	889	(100)
(Increase) decrease in margin accounts	(1 047)	47
Cost of investments purchased	(773 345)	(636 025)
Proceeds from sale and maturity of investments	811 127	672 240
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	37 437	42 702
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	57 847	48 060
Cash paid on redemption of redeemable units	(94 076)	(89 809)
Distributions paid to holders of redeemable units	(873)	(861)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (37 102)	\$ (42 610)
Net increase (decrease) in cash for the period	335	92
Cash (bank overdraft), beginning of period	395	303
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 730	\$ 395
Interest received (paid)	\$ 6 781	\$ 6 212
Dividends received, net of withholding taxes	\$ 8 487	\$ 8 438

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series T8	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 630 441	\$ 647 952	\$ 9 145	\$ 8 296	\$ 495	\$ 438	\$ 5 340	\$ 6 906
INCREASE (DECREASE) IN NAV	(17 786)	48 057	(327)	634	(22)	36	(199)	445
Early redemption fees	1	—	—	—	—	—	—	—
Proceeds from redeemable units issued	28 408	25 102	3 142	1 921	511	107	3 103	1 531
Reinvestments of distributions to holders of redeemable units	16 845	25 692	271	320	10	6	53	28
Redemption of redeemable units	(90 393)	(90 542)	(2 073)	(1 649)	(323)	(69)	(2 046)	(3 107)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(45 139)	(39 748)	1 340	592	198	44	1 110	(1 548)
Distributions from net income	—	—	—	—	—	—	(531)	—
Distributions from net gains	(16 930)	(25 820)	(310)	(377)	(19)	(20)	—	(218)
Distributions from capital	—	—	—	—	(11)	(3)	—	(245)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(16 930)	(25 820)	(310)	(377)	(30)	(23)	(531)	(463)
NET INCREASE (DECREASE) IN NAV	(79 855)	(17 511)	703	849	146	57	380	(1 566)
NAV AT END OF PERIOD	\$ 550 586	\$ 630 441	\$ 9 848	\$ 9 145	\$ 641	\$ 495	\$ 5 720	\$ 5 340

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 24 797	\$ 18 365	\$ 28 371	\$ 12 612	\$ 28 417	\$ 19 714	\$ 727 006	\$ 714 283
INCREASE (DECREASE) IN NAV	(575)	1 827	(1 020)	1 668	(442)	2 264	(20 371)	54 931
Early redemption fees	—	—	—	—	—	—	1	—
Proceeds from redeemable units issued	5 520	8 401	22 509	17 009	11 420	9 470	74 613	63 541
Reinvestments of distributions to holders of redeemable units	715	987	1 154	981	1 034	1 094	20 082	29 108
Redemption of redeemable units	(5 909)	(3 778)	(5 308)	(2 763)	(4 705)	(2 994)	(110 757)	(104 902)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	326	5 610	18 355	15 227	7 749	7 570	(16 061)	(12 253)
Distributions from net income	—	—	—	—	—	—	(531)	—
Distributions from net gains	(729)	(1 005)	(1 371)	(1 136)	(1 061)	(1 131)	(20 420)	(29 707)
Distributions from capital	—	—	—	—	—	—	(11)	(248)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(729)	(1 005)	(1 371)	(1 136)	(1 061)	(1 131)	(20 962)	(29 955)
NET INCREASE (DECREASE) IN NAV	(978)	6 432	15 964	15 759	6 246	8 703	(57 394)	12 723
NAV AT END OF PERIOD	\$ 23 819	\$ 24 797	\$ 44 335	\$ 28 371	\$ 34 663	\$ 28 417	\$ 669 612	\$ 727 006

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 40.0% (December 31, 2017 – 38.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	34.9	33.1
AA	25.7	23.3
A	22.9	25.9
BBB	16.2	16.3
BB	0.2	0.7
B	0.1	0.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Foreign Bonds	23.8	20.7
Canadian Equities	18.0	19.1
United States Equities	17.5	18.5
Canadian Bonds	16.2	17.5
International Equities	11.1	13.9
Underlying Funds	7.6	8.2
Cash/Other	5.8	2.1
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 40.0% (December 31, 2017 – 38.2%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	0.8	2.5
1 – 5 years	48.6	45.8
5 – 10 years	17.8	25.1
> 10 years	32.8	26.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.1% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	20.7	23.2
Japanese yen	3.8	3.1
Euro	3.1	2.4
Pound sterling	2.0	2.6
Swedish krona	1.1	0.9
Australian dollar	1.0	0.9
Hong Kong dollar	0.7	0.8
Danish krone	0.7	0.8
Swiss franc	0.6	0.8
Other currencies	0.5	0.8
Total	34.2	36.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.7% (December 31, 2017 – 1.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.4	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	239 197	73 276	–	312 473
Underlying funds	51 103	–	–	51 103
Fixed-income				
and debt securities	–	266 972	–	266 972
Short-term investments	–	43 368	–	43 368
Derivatives – assets	10	1 906	–	1 916
Derivatives – liabilities	(1 121)	(8 017)	–	(9 138)
Total financial instruments	289 189	377 505	–	666 694
% of total portfolio	43.4	56.6	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	270 275	99 837	–	370 112
Underlying funds	64 178	–	–	64 178
Fixed-income				
and debt securities	–	277 790	–	277 790
Short-term investments	–	14 177	–	14 177
Derivatives – assets	34	1 927	–	1 961
Derivatives – liabilities	(93)	(1 290)	–	(1 383)
Total financial instruments	334 394	392 441	–	726 835
% of total portfolio	46.0	54.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.15%
Advisor Series	1.85%	0.10%
Series T5	1.85%	0.10%
Series T8	1.85%	0.10%
Series D	1.10%	0.10%
Series F	0.85%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
((\$000s except unit amounts))

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	56	53
Series O	94	91
Value of all units	3	3

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Small & Mid-Cap Resources Fund	0.7	2.1	1.0	2.5
RBC Emerging Markets Dividend Fund	0.4	0.2	0.4	0.4
RBC Emerging Markets Equity Fund	3.6	0.6	4.0	0.7
RBC Emerging Markets Foreign Exchange Fund	0.2	0.1	–	–
RBC Emerging Markets Small-Cap Equity Fund	0.4	0.4	0.4	0.6
RBC High Yield Bond Fund	0.2	0.1	0.6	0.2
RBC U.S. Mid-Cap Growth Equity Fund	1.0	0.7	0.8	0.8
RBC U.S. Mid-Cap Value Equity Fund	0.6	0.6	0.8	0.9
RBC U.S. Small-Cap Core Equity Fund	0.2	0.9	0.2	0.7

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector SPDR Fund	–	–	0.2	–
iShares Dow Jones US Real Estate Index Fund	0.5	0.1	0.4	0.1

Please see the generic notes at the back of the financial statements.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	37 050	39 385
Issued number of units	1 669	1 474
Reinvested number of units	1 062	1 501
Redeemed number of units	(5 312)	(5 310)
Ending number of units	34 469	37 050
Advisor Series		
Opening units	532	500
Issued number of units	183	109
Reinvested number of units	17	19
Redeemed number of units	(122)	(96)
Ending number of units	610	532
Series T5		
Opening units	36	33
Issued number of units	37	8
Reinvested number of units	1	–
Redeemed number of units	(23)	(5)
Ending number of units	51	36
Series T8		
Opening units	636	820
Issued number of units	378	181
Reinvested number of units	7	3
Redeemed number of units	(257)	(368)
Ending number of units	764	636
Series D		
Opening units	1 334	1 031
Issued number of units	296	454
Reinvested number of units	41	53
Redeemed number of units	(318)	(204)
Ending number of units	1 353	1 334
Series F		
Opening units	1 414	658
Issued number of units	1 116	844
Reinvested number of units	61	49
Redeemed number of units	(265)	(137)
Ending number of units	2 326	1 414

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	1 353	993
Issued number of units	537	453
Reinvested number of units	52	52
Redeemed number of units	(222)	(145)
Ending number of units	1 720	1 353

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	247	100	361	100
Related-party brokerage commissions*	22	9	18	5
Commission arrangements†	27	11	89	25

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	99 186	98 174
Fair value of collateral received	101 297	100 158

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	149	100	154	100
RBC IS (paid)	(37)	(25)	(43)	(28)
Tax withheld	(1)	(1)	(1)	(1)
Fund revenue	111	74	110	71



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 916	(9 138)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 916	(9 138)
Related amounts not set-off	(1 787)	1 787
Collateral (received) pledged	–	2 365
Net amount	129	(4 986)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1 961	(1 383)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 961	(1 383)
Related amounts not set-off	(994)	994
Collateral (received) pledged	–	47
Net amount	967	(342)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC VISION BALANCED FUND

December 31, 2018

Holdings	Security			Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS						
2 916 985	RBC Vision Bond Fund*			\$ 31 079	\$ 30 519	
4 690 640	RBC Vision Canadian Equity Fund*			45 052	40 948	
7 788 509	RBC Vision Global Equity Fund*			77 906	79 721	
TOTAL UNDERLYING FUNDS				154 037	151 188	71.7
Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
CORPORATE						
50	Bank of Montreal GBP	1.625	21-Jun-2022	\$ 90	\$ 87	
				90	87	—
FEDERAL						
816	Government of Canada	1.750	01-Mar-2023	801	811	
350	Government of Canada	2.000	01-Jun-2028	343	351	
				1 144	1 162	0.6
PROVINCIAL/MUNICIPAL						
941	Province of Ontario USD	2.500	10-Sep-2021	1 339	1 275	
152	Province of Ontario USD	2.400	08-Feb-2022	194	205	
100	Province of Ontario USD	2.250	18-May-2022	125	134	
20	Province of Quebec GBP	0.875	24-May-2022	33	34	
				1 692	1 648	0.8
TOTAL CANADIAN BONDS				2 926	2 897	1.4
FOREIGN BONDS						
Australia						
861	Australia Government AUD	2.250	21-May-2028	796	823	
				796	823	0.4
Austria						
346	Austria Government EUR	0.500	20-Apr-2027	519	546	
				519	546	0.3
Belgium						
732	Belgium Government EUR	2.600	22-Jun-2024	1 236	1 301	
95	Belgium Government EUR	4.250	28-Mar-2041	227	223	
				1 463	1 524	0.7
Denmark						
2 207	Denmark Government DKK	1.500	15-Nov-2023	490	502	
				490	502	0.2
Finland						
26	Finland Government EUR	1.375	15-Apr-2047	40	43	
				40	43	—
France						
160	France O.A.T. EUR	3.000	25-Apr-2022	267	278	
930	France O.A.T. EUR	0.500	25-May-2026	1 403	1 470	
1 110	France O.A.T. EUR	1.250	25-May-2036	1 661	1 736	
				3 331	3 484	1.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Germany						
240	Bundesrepublik Deutschland EUR	1.500	04-Sep-2022	\$ 394	\$ 403	
430	Bundesrepublik Deutschland EUR	1.000	15-Aug-2024	709	719	
236	Bundesrepublik Deutschland EUR	0.500	15-Feb-2026	365	384	
181	Bundesrepublik Deutschland EUR	4.000	04-Jan-2037	426	446	
212	Bundesrepublik Deutschland EUR	2.500	15-Aug-2046	429	467	
				2 324	2 419	1.1
Ireland						
88	Ireland Government EUR	3.400	18-Mar-2024	154	161	
94	Ireland Government EUR	1.700	15-May-2037	147	150	
				302	311	0.1
Italy						
378	Buoni Poliennali Del Tesoro EUR	0.650	01-Nov-2020	560	593	
1 245	Buoni Poliennali Del Tesoro EUR	0.450	01-Jun-2021	1 976	1 934	
2 435	Buoni Poliennali Del Tesoro EUR	1.450	15-Sep-2022	3 795	3 817	
299	Buoni Poliennali Del Tesoro EUR	1.600	01-Jun-2026	434	447	
149	Buoni Poliennali Del Tesoro EUR	2.000	01-Feb-2028	208	223	
242	Buoni Poliennali Del Tesoro EUR	2.250	01-Sep-2036	341	337	
40	Buoni Poliennali Del Tesoro EUR	3.250	01-Sep-2046	59	61	
90	Buoni Poliennali Del Tesoro EUR	3.450	01-Mar-2048	137	140	
				7 509	7 552	3.6
Japan						
20 000	Development Bank of Japan Inc. JPY	1.700	20-Sep-2022	273	265	
9 000	Development Bank of Japan Inc. JPY	1.050	20-Jun-2023	119	117	
127 600	Japan Government Ten Year JPY	0.100	20-Sep-2027	1 459	1 614	
163 800	Japan Government Twenty Year JPY	0.200	20-Jun-2036	1 878	1 973	
92 900	Japan Government Twenty Year JPY	0.500	20-Sep-2036	1 163	1 175	
17 300	Japan Government Twenty Year JPY	0.600	20-Dec-2036	202	222	
21 700	Japan Government Twenty Year JPY	0.600	20-Sep-2037	256	277	
35 900	Japan Government Thirty Year JPY	1.500	20-Dec-2044	474	538	
42 500	Japan Government Thirty Year JPY	0.300	20-Jun-2046	491	479	
35 000	Japan Government Forty Year JPY	0.400	20-Mar-2056	335	379	
				6 650	7 039	3.3
Mexico						
10 390	Mexican Bonos MXN	8.500	31-May-2029	652	711	
				652	711	0.3
Netherlands						
110	Netherlands Government EUR	0.750	15-Jul-2027	171	179	
124	Netherlands Government EUR	2.750	15-Jan-2047	263	282	
				433	461	0.2
Romania						
40	Romanian Government EUR	2.875	11-Mar-2029	59	61	
32	Romanian Government EUR	2.500	08-Feb-2030	49	47	
				107	108	0.1
Spain						
1 724	Spain Government EUR	1.150	30-Jul-2020	2 616	2 761	
647	Spain Government EUR	0.450	31-Oct-2022	1 001	1 026	
440	Spain Government EUR	0.350	30-Jul-2023	667	689	
266	Spain Government EUR	1.450	31-Oct-2027	383	422	
40	Spain Government EUR	4.700	30-Jul-2041	82	88	
170	Spain Government EUR	2.700	31-Oct-2048	274	271	
40	Spain Government EUR	4.000	31-Oct-2064	58	80	
				5 080	5 337	2.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
Supranational						
93	Asian Development Bank GBP	0.750	24-Mar-2022	\$ 155	\$ 160	
				155	160	0.1
United Kingdom						
865	United Kingdom Gilt GBP	1.250	22-Jul-2027	1 467	1 515	
269	United Kingdom Gilt GBP	4.500	07-Sep-2034	642	655	
584	United Kingdom Gilt GBP	3.250	22-Jan-2044	1 256	1 303	
				3 364	3 473	1.6
United States						
3 650	United States Treasury	1.625	31-Jul-2020	4 738	4 913	
3 670	United States Treasury	1.500	31-Jan-2022	4 697	4 869	
3 593	United States Treasury	1.750	15-May-2023	4 564	4 754	
725	United States Treasury	2.000	15-Feb-2025	900	958	
897	United States Treasury	2.375	15-May-2027	1 125	1 199	
1 550	United States Treasury	2.750	15-Feb-2028	1 959	2 128	
1 038	United States Treasury	3.500	15-Feb-2039	1 459	1 552	
1 236	United States Treasury	2.500	15-Feb-2045	1 449	1 530	
183	United States Treasury Inflation Indexed	1.000	15-Feb-2048	227	237	
				21 117	22 140	10.5
TOTAL FOREIGN BONDS				54 331	56 633	26.7
TOTAL BONDS				57 257	59 530	28.1
SHORT-TERM INVESTMENTS[†]				1 597	1 597	0.8
TOTAL INVESTMENTS				212 891	212 315	100.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	132	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(2 329)	(1.1)
TOTAL PORTFOLIO				\$ 212 891	210 118	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					752	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 210 870	100.0



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 133 Sold EUR 85 @ 1.5600	02-Jan-2019	\$ —
Bought CAD 49 Sold GBP 28 @ 1.7314	02-Jan-2019	—
Bought CAD 238 Sold USD 175 @ 1.3638	02-Jan-2019	—
Bought USD 27 Sold CAD 35 @ 0.7818	07-Jan-2019	2
Bought CAD 8 Sold DKK 42 @ 0.1999	09-Jan-2019	—
Bought DKK 42 Sold CAD 8 @ 4.9757	09-Jan-2019	—
Bought PLN 738 Sold CAD 254 @ 2.9077	10-Jan-2019	16
Bought USD 3 Sold CAD 4 @ 0.7580	11-Jan-2019	—
Bought ZAR 295 Sold CAD 28 @ 10.6195	14-Jan-2019	—
Bought ZAR 230 Sold CAD 21 @ 10.7996	14-Jan-2019	—
Bought CAD 3 Sold USD 2 @ 1.3633	15-Jan-2019	—
Bought USD 6 Sold CAD 8 @ 0.7832	15-Jan-2019	1
Bought USD 199 Sold CAD 254 @ 0.7823	15-Jan-2019	19
Bought CAD 46 Sold USD 34 @ 1.3531	16-Jan-2019	—
Bought DKK 85 Sold CAD 17 @ 4.9724	16-Jan-2019	1
Bought EUR 149 Sold CAD 225 @ 0.6634	17-Jan-2019	9
Bought AUD 285 Sold CAD 274 @ 1.0394	18-Jan-2019	—
Bought CAD 24 Sold AUD 25 @ 0.9720	18-Jan-2019	—
Bought DKK 853 Sold CAD 172 @ 4.9722	18-Jan-2019	7
Bought USD 157 Sold CAD 204 @ 0.7680	18-Jan-2019	10
Bought JPY 6 802 Sold CAD 81 @ 84.4802	23-Jan-2019	4
Bought SEK 3 064 Sold CAD 458 @ 6.6879	23-Jan-2019	15
Bought GBP 28 Sold CAD 49 @ 0.5772	25-Jan-2019	—
Bought USD 7 Sold CAD 9 @ 0.7701	29-Jan-2019	—
Bought USD 97 Sold CAD 127 @ 0.7647	31-Jan-2019	5
Bought USD 175 Sold CAD 238 @ 0.7339	04-Feb-2019	—
Bought HUF 57 611 Sold CAD 271 @ 212.7700	05-Feb-2019	10
Bought EUR 142 Sold CAD 219 @ 0.6488	06-Feb-2019	4
Bought EUR 85 Sold CAD 133 @ 0.6397	06-Feb-2019	—
Bought JPY 6 179 Sold CAD 77 @ 80.7629	06-Feb-2019	1
Bought USD 16 Sold CAD 21 @ 0.7654	06-Feb-2019	1
Bought SEK 656 Sold CAD 96 @ 6.8201	11-Feb-2019	5
Bought CAD 7 Sold USD 5 @ 1.3351	12-Feb-2019	—
Bought USD 24 Sold CAD 31 @ 0.7640	12-Feb-2019	1
Bought USD 9 Sold CAD 12 @ 0.7482	12-Feb-2019	—
Bought NOK 1 331 Sold CAD 206 @ 6.4743	27-Feb-2019	5
Bought USD 330 Sold CAD 440 @ 0.7493	04-Mar-2019	9
Bought USD 8 Sold CAD 11 @ 0.7494	04-Mar-2019	—
Bought CAD 268 Sold AUD 276 @ 0.9709	11-Mar-2019	3
Bought SEK 774 Sold CAD 116 @ 6.6724	11-Mar-2019	4
Bought CAD 13 Sold USD 10 @ 1.3362	22-Mar-2019	—
		\$ 132

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 055 Sold USD 818 @ 1.2906	04-Jan-2019	\$ (61)
Bought CAD 76 Sold JPY 6 179 @ 0.0124	04-Jan-2019	(1)
Bought CAD 358 Sold JPY 31 022 @ 0.0115	08-Jan-2019	(29)
Bought CAD 278 Sold USD 215 @ 1.2940	08-Jan-2019	(15)
Bought CAD 92 Sold MXN 1 352 @ 0.0682	09-Jan-2019	(2)
Bought CAD 36 Sold JPY 3 094 @ 0.0116	10-Jan-2019	(3)
Bought CAD 255 Sold PLN 738 @ 0.3450	10-Jan-2019	(15)
Bought CAD 112 Sold SEK 754 @ 0.1482	11-Jan-2019	(4)
Bought CAD 413 Sold EUR 269 @ 1.5340	11-Jan-2019	(8)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 132 Sold USD 100 @ 1.3192	11-Jan-2019	\$ (5)
Bought CAD 150 Sold SEK 1 024 @ 0.1462	11-Jan-2019	(8)
Bought CAD 871 Sold USD 682 @ 1.2771	14-Jan-2019	(60)
Bought CAD 47 Sold ZAR 525 @ 0.0895	14-Jan-2019	(3)
Bought CAD 17 Sold SEK 120 @ 0.1436	15-Jan-2019	(1)
Bought CAD 468 Sold JPY 40 941 @ 0.0114	15-Jan-2019	(42)
Bought CAD 12 Sold USD 9 @ 1.2916	15-Jan-2019	(1)
Bought CAD 173 Sold AUD 184 @ 0.9427	15-Jan-2019	(3)
Bought CAD 112 Sold USD 85 @ 1.3164	15-Jan-2019	(4)
Bought CAD 911 Sold EUR 611 @ 1.4907	16-Jan-2019	(46)
Bought CAD 447 Sold USD 344 @ 1.2980	16-Jan-2019	(23)
Bought CAD 220 Sold JPY 18 807 @ 0.0117	16-Jan-2019	(14)
Bought CAD 17 Sold DKK 85 @ 0.2037	16-Jan-2019	(1)
Bought CAD 104 Sold GBP 62 @ 1.6702	17-Jan-2019	(4)
Bought CAD 225 Sold EUR 149 @ 1.5094	17-Jan-2019	(8)
Bought CAD 473 Sold DKK 2 371 @ 0.1996	18-Jan-2019	(24)
Bought CAD 1 662 Sold EUR 1 108 @ 1.5008	18-Jan-2019	(72)
Bought CAD 127 Sold AUD 137 @ 0.9280	18-Jan-2019	(5)
Bought CAD 87 Sold MXN 1 350 @ 0.0644	18-Jan-2019	(7)
Bought CAD 73 Sold USD 54 @ 1.3527	18-Jan-2019	(1)
Bought CAD 160 Sold JPY 14 120 @ 0.0113	22-Jan-2019	(16)
Bought CAD 395 Sold GBP 233 @ 1.7008	22-Jan-2019	(9)
Bought CAD 1 130 Sold USD 868 @ 1.3016	22-Jan-2019	(55)
Bought CAD 167 Sold EUR 110 @ 1.5189	22-Jan-2019	(5)
Bought CAD 1 655 Sold USD 1 284 @ 1.2891	23-Jan-2019	(97)
Bought CAD 380 Sold JPY 32 325 @ 0.0117	23-Jan-2019	(23)
Bought CAD 44 Sold SEK 305 @ 0.1459	23-Jan-2019	(3)
Bought CAD 60 Sold SEK 406 @ 0.1478	23-Jan-2019	(3)
Bought CAD 131 Sold JPY 11 200 @ 0.0117	24-Jan-2019	(8)
Bought CAD 205 Sold GBP 120 @ 1.7088	24-Jan-2019	(4)
Bought CAD 1 147 Sold USD 879 @ 1.3054	24-Jan-2019	(52)
Bought CAD 66 Sold DKK 329 @ 0.2013	24-Jan-2019	(3)
Bought CAD 196 Sold EUR 131 @ 1.4987	25-Jan-2019	(9)
Bought CAD 445 Sold USD 344 @ 1.2930	25-Jan-2019	(25)
Bought CAD 269 Sold JPY 23 208 @ 0.0116	25-Jan-2019	(20)
Bought CAD 600 Sold GBP 356 @ 1.6844	25-Jan-2019	(20)
Bought CAD 562 Sold EUR 376 @ 1.4958	25-Jan-2019	(27)
Bought CAD 32 Sold DKK 161 @ 0.2013	28-Jan-2019	(1)
Bought CAD 120 Sold GBP 70 @ 1.7143	28-Jan-2019	(2)
Bought CAD 131 Sold USD 100 @ 1.3068	28-Jan-2019	(6)
Bought CAD 41 Sold USD 31 @ 1.3110	28-Jan-2019	(2)
Bought CAD 67 Sold SEK 455 @ 0.1462	29-Jan-2019	(4)
Bought CAD 170 Sold USD 131 @ 1.2983	29-Jan-2019	(9)
Bought CAD 157 Sold USD 120 @ 1.3077	29-Jan-2019	(7)
Bought CAD 711 Sold USD 549 @ 1.2943	30-Jan-2019	(38)
Bought CAD 178 Sold GBP 104 @ 1.7124	31-Jan-2019	(3)
Bought CAD 2 626 Sold EUR 1 731 @ 1.5174	31-Jan-2019	(86)
Bought CAD 357 Sold EUR 236 @ 1.5135	01-Feb-2019	(13)
Bought CAD 170 Sold USD 130 @ 1.3048	01-Feb-2019	(8)
Bought CAD 1 689 Sold USD 1 294 @ 1.3055	04-Feb-2019	(76)
Bought CAD 54 Sold AUD 57 @ 0.9421	04-Feb-2019	(1)
Bought CAD 73 Sold JPY 6 260 @ 0.0116	04-Feb-2019	(5)
Bought CAD 266 Sold HUF 57 611 @ 0.0046	05-Feb-2019	(15)
Bought CAD 99 Sold EUR 66 @ 1.5051	05-Feb-2019	(4)
Bought CAD 630 Sold JPY 53 721 @ 0.0117	06-Feb-2019	(40)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 712 Sold EUR 1 140 @ 1.5022	06-Feb-2019	\$ (75)
Bought CAD 99 Sold DKK 493 @ 0.2012	06-Feb-2019	(4)
Bought CAD 287 Sold GBP 166 @ 1.7269	06-Feb-2019	(2)
Bought CAD 273 Sold EUR 181 @ 1.5100	06-Feb-2019	(10)
Bought CAD 117 Sold EUR 77 @ 1.5175	06-Feb-2019	(4)
Bought CAD 141 Sold GBP 84 @ 1.6834	07-Feb-2019	(5)
Bought CAD 74 Sold JPY 6 371 @ 0.0117	08-Feb-2019	(5)
Bought CAD 316 Sold USD 242 @ 1.3065	11-Feb-2019	(14)
Bought CAD 232 Sold EUR 154 @ 1.5077	11-Feb-2019	(9)
Bought CAD 99 Sold SEK 656 @ 0.1509	11-Feb-2019	(2)
Bought CAD 1 507 Sold JPY 129 170 @ 0.0117	12-Feb-2019	(106)
Bought CAD 373 Sold USD 285 @ 1.3089	12-Feb-2019	(16)
Bought CAD 212 Sold USD 160 @ 1.3281	12-Feb-2019	(6)
Bought CAD 792 Sold USD 593 @ 1.3365	12-Feb-2019	(16)
Bought CAD 516 Sold EUR 340 @ 1.5173	12-Feb-2019	(17)
Bought CAD 263 Sold MXN 4 060 @ 0.0648	13-Feb-2019	(17)
Bought CAD 246 Sold MXN 3 768 @ 0.0654	13-Feb-2019	(13)
Bought CAD 932 Sold EUR 620 @ 1.5018	14-Feb-2019	(41)
Bought CAD 844 Sold EUR 548 @ 1.5407	19-Feb-2019	(15)
Bought CAD 405 Sold USD 305 @ 1.3253	20-Feb-2019	(12)
Bought CAD 2 234 Sold EUR 1 476 @ 1.5142	20-Feb-2019	(81)
Bought CAD 1 357 Sold EUR 899 @ 1.5095	21-Feb-2019	(53)
Bought CAD 1 263 Sold USD 962 @ 1.3127	21-Feb-2019	(49)
Bought CAD 141 Sold JPY 11 900 @ 0.0118	21-Feb-2019	(8)
Bought CAD 649 Sold GBP 381 @ 1.7039	22-Feb-2019	(15)
Bought CAD 1 571 Sold EUR 1 039 @ 1.5117	25-Feb-2019	(60)
Bought CAD 925 Sold USD 703 @ 1.3163	25-Feb-2019	(33)
Bought CAD 42 Sold USD 32 @ 1.3253	26-Feb-2019	(1)
Bought CAD 147 Sold GBP 86 @ 1.7022	26-Feb-2019	(3)
Bought CAD 119 Sold JPY 10 000 @ 0.0119	26-Feb-2019	(6)
Bought CAD 132 Sold USD 100 @ 1.3198	27-Feb-2019	(4)
Bought CAD 127 Sold GBP 75 @ 1.6991	28-Feb-2019	(3)
Bought CAD 25 Sold USD 19 @ 1.3221	01-Mar-2019	(1)
Bought CAD 80 Sold GBP 47 @ 1.6948	01-Mar-2019	(2)
Bought CAD 546 Sold EUR 361 @ 1.5125	01-Mar-2019	(21)
Bought CAD 3 619 Sold USD 2 726 @ 1.3275	04-Mar-2019	(97)
Bought CAD 188 Sold JPY 15 955 @ 0.0118	04-Mar-2019	(12)
Bought CAD 333 Sold USD 245 @ 1.3579	04-Mar-2019	(1)
Bought CAD 90 Sold EUR 59 @ 1.5189	05-Mar-2019	(3)
Bought CAD 346 Sold USD 259 @ 1.3349	05-Mar-2019	(7)
Bought CAD 309 Sold EUR 205 @ 1.5080	06-Mar-2019	(13)
Bought CAD 323 Sold GBP 188 @ 1.7190	06-Mar-2019	(4)
Bought CAD 313 Sold JPY 26 110 @ 0.0120	06-Mar-2019	(14)
Bought CAD 1 210 Sold EUR 803 @ 1.5074	07-Mar-2019	(50)
Bought CAD 66 Sold JPY 5 623 @ 0.0118	11-Mar-2019	(4)
Bought CAD 362 Sold USD 273 @ 1.3276	11-Mar-2019	(10)
Bought CAD 116 Sold SEK 774 @ 0.1499	11-Mar-2019	(4)
Bought CAD 287 Sold EUR 187 @ 1.5353	12-Mar-2019	(7)
Bought CAD 233 Sold GBP 138 @ 1.6908	12-Mar-2019	(7)
Bought CAD 1 579 Sold JPY 132 477 @ 0.0119	12-Mar-2019	(77)
Bought CAD 1 067 Sold EUR 700 @ 1.5244	13-Mar-2019	(33)
Bought CAD 113 Sold EUR 74 @ 1.5301	14-Mar-2019	(3)
Bought CAD 224 Sold USD 168 @ 1.3348	14-Mar-2019	(5)
Bought CAD 475 Sold USD 355 @ 1.3375	15-Mar-2019	(9)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 454 Sold EUR 297 @ 1.5276	18-Mar-2019	\$ (13)
Bought CAD 112 Sold GBP 66 @ 1.6941	18-Mar-2019	(3)
Bought CAD 379 Sold AUD 396 @ 0.9583	21-Mar-2019	(1)
Bought CAD 467 Sold EUR 306 @ 1.5259	22-Mar-2019	(14)
Bought CAD 747 Sold USD 556 @ 1.3441	25-Mar-2019	(10)
Bought CAD 2 863 Sold USD 2 123 @ 1.3486	25-Mar-2019	(30)
		<u>\$ (2 329)</u>
		<u>\$ (2 197)</u>

TOTAL FOREIGN EXCHANGE

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes earn interest at rates ranging from 1.65% to 1.70% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 212 315	\$ 187 659
Cash	81	224
Due from investment dealers	495	–
Subscriptions receivable	493	247
Unrealized gain on foreign exchange contracts	132	388
Dividends receivable, interest accrued and other assets	329	226
TOTAL ASSETS	213 845	188 744
LIABILITIES		
Redemptions payable	341	168
Unrealized loss on foreign exchange contracts	2 329	215
Accounts payable and accrued expenses	305	278
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 975	661
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 210 870	\$ 188 083
Investments at cost	\$ 212 891	\$ 181 319
NAV		
SERIES A	\$ 123 423	\$ 116 016
ADVISOR SERIES	\$ 23 082	\$ 19 298
SERIES D	\$ 3 844	\$ 3 319
SERIES DZ	\$ 21 467	\$ 23 779
SERIES F	\$ 38 344	\$ 24 837
SERIES O	\$ 710	\$ 834
NAV PER UNIT		
SERIES A	\$ 11.25	\$ 11.71
ADVISOR SERIES	\$ 11.30	\$ 11.77
SERIES D	\$ 11.93	\$ 12.43
SERIES DZ	\$ 9.39	\$ 9.78
SERIES F	\$ 12.09	\$ 12.59
SERIES O	\$ 9.42	\$ 9.81

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3	\$ 907
Interest for distribution purposes	933	838
Income from investment trusts	7 971	3 151
Derivative income	(177)	484
Net realized gain (loss) on investments	1 103	11 170
Change in unrealized gain (loss) on investments	(9 286)	(2 028)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	547	14 522
Other income (loss)	12	–
Securities lending revenue (see note 7 in the generic notes)	13	16
Net gain (loss) on foreign cash balances	(77)	(47)
TOTAL OTHER INCOME (LOSS)	(52)	(31)
TOTAL INCOME (LOSS)	495	14 491
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 964	2 328
Administration fees	203	170
Independent Review Committee costs	2	3
GST/HST	318	257
Transaction costs	–	44
Withholding tax	(3)	83
TOTAL EXPENSES	3 484	2 885
INCREASE (DECREASE) IN NAV	\$ (2 989)	\$ 11 606
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 064)	\$ 7 835
ADVISOR SERIES	\$ (437)	\$ 986
SERIES D	\$ (51)	\$ 245
SERIES DZ	\$ (31)	\$ 1 165
SERIES F	\$ (409)	\$ 1 326
SERIES O	\$ 3	\$ 49
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.20)	\$ 0.90
ADVISOR SERIES	\$ (0.24)	\$ 0.98
SERIES D	\$ (0.18)	\$ 1.03
SERIES DZ	\$ (0.01)	\$ 0.62
SERIES F	\$ (0.16)	\$ 1.17
SERIES O	\$ 0.04	\$ 0.66



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (2 989)	\$ 11 606
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	(2)
Non-cash distributions from underlying funds	(7 971)	(3 141)
Net realized loss (gain) on investments	(1 102)	(11 068)
Change in unrealized loss (gain) on investments	9 286	2 028
(Increase) decrease in accrued receivables	(103)	98
Increase (decrease) in accrued payables	27	82
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 061 815)	(1 217 755)
Proceeds from sale and maturity of investments	1 038 821	1 206 913
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(25 846)	(11 239)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	61 625	34 556
Cash paid on redemption of redeemable units	(35 447)	(22 651)
Distributions paid to holders of redeemable units	(475)	(496)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 25 703	\$ 11 409
Net increase (decrease) in cash for the period	(143)	170
Cash (bank overdraft), beginning of period	224	54
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 81	\$ 224
Interest received (paid)	\$ 830	\$ 837
Dividends received, net of withholding taxes	\$ 6	\$ 921

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series DZ	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 116 016	\$ 95 557	\$ 19 298	\$ 6 002	\$ 3 319	\$ 2 876	\$ 23 779	\$ —
INCREASE (DECREASE) IN NAV	(2 064)	7 835	(437)	986	(51)	245	(31)	1 165
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	32 407	34 874	7 600	15 008	2 313	979	1 717	24 098
Reinvestments of distributions to holders of redeemable units	3 011	6 730	535	1 079	128	194	777	1 399
Redemption of redeemable units	(22 920)	(22 204)	(3 348)	(2 643)	(1 737)	(781)	(3 994)	(1 479)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	12 498	19 400	4 787	13 444	704	392	(1 500)	24 018
Distributions from net income	(53)	—	(10)	—	(34)	—	(253)	—
Distributions from net gains	(2 974)	(6 776)	(556)	(1 134)	(94)	(194)	(528)	(1 404)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 027)	(6 776)	(566)	(1 134)	(128)	(194)	(781)	(1 404)
NET INCREASE (DECREASE) IN NAV	7 407	20 459	3 784	13 296	525	443	(2 312)	23 779
NAV AT END OF PERIOD	\$ 123 423	\$ 116 016	\$ 23 082	\$ 19 298	\$ 3 844	\$ 3 319	\$ 21 467	\$ 23 779

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 24 837	\$ 5 354	\$ 834	\$ —	\$ 188 083	\$ 109 789
INCREASE (DECREASE) IN NAV	(409)	1 326	3	49	(2 989)	11 606
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	24 599	21 321	127	1 041	68 763	97 321
Reinvestments of distributions to holders of redeemable units	977	1 078	13	29	5 441	10 509
Redemption of redeemable units	(10 279)	(2 795)	(234)	(235)	(42 512)	(30 137)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	15 297	19 604	(94)	835	31 692	77 693
Distributions from net income	(445)	—	(15)	—	(810)	—
Distributions from net gains	(936)	(1 447)	(18)	(50)	(5 106)	(11 005)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 381)	(1 447)	(33)	(50)	(5 916)	(11 005)
NET INCREASE (DECREASE) IN NAV	13 507	19 483	(124)	834	22 787	78 294
NAV AT END OF PERIOD	\$ 38 344	\$ 24 837	\$ 710	\$ 834	\$ 210 870	\$ 188 083

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series DZ units have been capped and are no longer available for purchase by new investors effective June 30, 2017. Existing investors who hold Series DZ units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide the potential for long-term capital growth, with a secondary focus on modest income, to investors seeking exposure to “socially responsible investing,” 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.

Series DZ and Series O units were started May 19, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 41.9% (December 31, 2017 – 39.0%) of the NAV of the Fund. The table below summarizes the Fund’s credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	46.9	54.4
AA	18.1	14.7
A	22.1	20.1
BBB	12.7	10.6
BB	0.2	0.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Equity Funds	57.2	58.1
Foreign Bonds	26.7	22.4
Income Funds	14.5	13.7
Canadian Bonds	1.4	2.8
Cash/Other	0.2	3.0
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 28.9% (December 31, 2017 – 38.9%) of the NAV of the Fund. The table below summarizes the Fund’s exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	–	1.7
1 – 5 years	49.7	38.8
5 – 10 years	24.3	37.7
> 10 years	26.0	21.8
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	24.4	25.8
Euro	3.4	3.0
Pound sterling	3.2	3.0
Japanese yen	2.5	2.3
Swiss franc	2.1	1.5
Hong Kong dollar	1.3	1.2
South African rand	0.9	1.4
Norwegian krone	0.1	–
Other currencies	–	0.1
Total	37.9	38.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 1.9% (December 31, 2017 – 1.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	151 188	–	–	151 188
Fixed-income				
and debt securities	–	59 530	–	59 530
Short-term investments	–	1 597	–	1 597
Derivatives – assets	–	132	–	132
Derivatives – liabilities	–	(2 329)	–	(2 329)
Total financial instruments	151 188	58 930	–	210 118
% of total portfolio	72.0	28.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	134 986	–	–	134 986
Fixed-income				
and debt securities	–	47 314	–	47 314
Short-term investments	–	5 359	–	5 359
Derivatives – assets	–	388	–	388
Derivatives – liabilities	–	(215)	–	(215)
Total financial instruments	134 986	52 846	–	187 832
% of total portfolio	71.9	28.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees†
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series DZ	0.75%	0.10%
Series F	0.75%	0.10%
Series O	n/a‡	0.02%

* Effective June 30, 2017, the management fees for Series A and Advisor Series units were reduced to 1.75% from 1.85%; for Series D units were reduced to 1.00% from 1.10%; and for Series F units were reduced to 0.75% from 0.85%.

† Effective June 30, 2017, the administration fees for Series A units were reduced to 0.10% from 0.15%.

‡ Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series DZ	110	106
Series O	111	106
Value of all units	2	2

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Vision Bond Fund	14.5	12.9	13.7	11.4
RBC Vision Canadian Equity Fund	19.4	23.8	20.6	22.0
RBC Vision Global Equity Fund	37.8	22.9	37.5	18.6



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	9 905	8 268
Issued number of units	2 735	2 924
Reinvested number of units	270	572
Redeemed number of units	(1 940)	(1 859)
Ending number of units	10 970	9 905
Advisor Series		
Opening units	1 640	516
Issued number of units	637	1 252
Reinvested number of units	48	91
Redeemed number of units	(283)	(219)
Ending number of units	2 042	1 640
Series D		
Opening units	267	237
Issued number of units	181	76
Reinvested number of units	11	16
Redeemed number of units	(137)	(62)
Ending number of units	322	267
Series DZ		
Opening units	2 431	–
Issued number of units	172	2 437
Reinvested number of units	84	142
Redeemed number of units	(400)	(148)
Ending number of units	2 287	2 431
Series F		
Opening units	1 973	436
Issued number of units	1 917	1 669
Reinvested number of units	82	85
Redeemed number of units	(800)	(217)
Ending number of units	3 172	1 973
Series O		
Opening units	85	–
Issued number of units	13	105
Reinvested number of units	1	3
Redeemed number of units	(24)	(23)
Ending number of units	75	85

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	–	–	44	100
Related-party brokerage commissions*	–	–	5	11
Commission arrangements†	–	–	4	9

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	20 000		18 005	
Fair value of collateral received	20 400		18 375	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	17	100	22	100
RBC IS (paid)	(4)	(25)	(6)	(28)
Tax withheld	–	–	–	(1)
Fund revenue	13	75	16	71

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	132	(2 329)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	132	(2 329)
Related amounts not set-off	(132)	132
Collateral (received) pledged	–	151
Net amount	–	(2 046)

Please see the generic notes at the back of the financial statements.



December 31, 2018

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	388	(215)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	388	(215)
Related amounts not set-off	(181)	181
Collateral (received) pledged	–	–
Net amount	207	(34)

Fund merger (000s)

At the close of business on June 30, 2017, the Phillips, Hager & North Community Values Balanced Fund was merged into the RBC Vision Balanced Fund. The acquisition method of accounting was adopted for the fund merger. Under this method, the Continuing Fund is identified as the acquiring fund and the Terminated Fund is the acquired fund. This identification was based on aspects of the Continuing Fund such as investment objectives, portfolio composition and asset size of the Fund.

Details of the Phillips, Hager & North Community Values Balanced Fund (the “Terminated Fund”) and the RBC Vision Balanced Fund (the “Continuing Fund”) are as follows:

Net assets acquired by Continuing Fund	
Series A	\$ 11 876
Advisor Series	\$ 11 592
Series DZ	\$ 23 290
Series F	\$ 8 941
Series O	\$ 828
Exchange ratio Series A	1.32
Units issued by Continuing Fund Series A	999
Exchange ratio Advisor Series	1.32
Units issued by Continuing Fund Advisor Series	970
Exchange ratio Series D	–
Units issued by Continuing Fund Series D	–
Exchange ratio Series DZ	1.56
Units issued by Continuing Fund Series DZ	2 357
Exchange ratio Series F	1.23
Units issued by Continuing Fund Series F	704
Exchange ratio Series O	1.56
Units issued by Continuing Fund Series O	84

The Continuing Fund identified above acquired all of the assets and assumed all of the liabilities of the Terminated Fund at their fair market value, in return for the issuance by the Continuing Fund of its units equal in value to the net assets transferred from the Terminated Fund. As a result, the unitholders of the Terminated Fund became unitholders of the Continuing Fund. After the merger, the Terminated Fund was wound up.

As at June 30, 2017, all of the investments of the Terminated Fund were disposed of at their fair market value to the Continuing Fund.

The financial statements of the Continuing Fund include the operating results of the Terminated Fund from the date of the merger. All comparative information in these financial statements is that of the Continuing Fund only.

Under the tax reorganization rules in the *Income Tax Act* (Canada), the merger took place on a tax-deferred or “rollover” basis, and both the Terminated Fund and the Continuing Fund are deemed to have a taxation year-end as at June 30, 2017. Those investments with unrealized losses were deemed to have been disposed of at their fair market value and investments with unrealized gains were deemed to be disposed of at their fair market value or at their elected amount. The Fund had no tax liability as at June 30, 2017. All capital and non-capital loss carryforwards expired as a result of the fund merger.

None of the costs related to the merger have been charged to the funds or to the unitholders.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CONSERVATIVE GROWTH & INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
1 185 165	BlueBay Global Monthly Income Bond Fund*	\$ 12 197	\$ 11 426	
3 904 505	Phillips, Hager & North Total Return Bond Fund*	44 859	43 237	
6 426 549	RBC Bond Fund*	44 637	43 227	
622 144	RBC Canadian Equity Income Fund*	18 091	17 314	
488 027	RBC Emerging Markets Dividend Fund*	6 189	6 002	
432 902	RBC European Dividend Fund*	5 103	4 591	
1 571 692	RBC Global Corporate Bond Fund*	15 579	14 969	
1 133 295	RBC Global High Yield Bond Fund*	12 253	11 421	
377 346	RBC U.S. Dividend Fund*	10 438	10 742	
TOTAL UNDERLYING FUNDS		169 346	162 929	99.7
SHORT-TERM INVESTMENTS[†]		491	491	0.3
TOTAL INVESTMENTS		169 837	163 420	100.0
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(1)	—
TOTAL PORTFOLIO		\$ 169 837	163 419	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			49	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 163 468	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 855 Sold USD 627 @ 1.3636	02-Jan-2019	\$ (1)
TOTAL FOREIGN EXCHANGE		\$ (1)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 163 420	\$ 157 310
Cash	21	20
Due from investment dealers	300	–
Subscriptions receivable	2 551	634
TOTAL ASSETS	166 292	157 964
LIABILITIES		
Due to investment dealers	2 552	950
Redemptions payable	85	2 033
Unrealized loss on foreign exchange contracts	1	–
Distributions payable	28	32
Accounts payable and accrued expenses	158	163
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 824	3 178
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 163 468	\$ 154 786
Investments at cost	\$ 169 837	\$ 155 938
NAV		
SERIES A	\$ 65 735	\$ 73 861
ADVISOR SERIES	\$ 17 649	\$ 18 396
ADVISOR T5 SERIES	\$ 3 182	\$ 1 879
SERIES T5	\$ 1 724	\$ 1 626
SERIES F	\$ 43 700	\$ 33 687
SERIES FT5	\$ 4 013	\$ 5 392
SERIES I	\$ 1 238	\$ 1 884
SERIES O	\$ 26 227	\$ 18 061
NAV PER UNIT		
SERIES A	\$ 9.67	\$ 10.17
ADVISOR SERIES	\$ 9.67	\$ 10.17
ADVISOR T5 SERIES	\$ 8.67	\$ 9.36
SERIES T5	\$ 8.67	\$ 9.36
SERIES F	\$ 9.69	\$ 10.17
SERIES FT5	\$ 8.95	\$ 9.58
SERIES I	\$ 9.58	\$ 10.10
SERIES O	\$ 9.70	\$ 10.17

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 10	\$ 7
Income from investment trusts	6 722	4 417
Derivative income	(2)	(1)
Net realized gain (loss) on investments	(162)	133
Change in unrealized gain (loss) on investments	(7 790)	2 479
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 222)	7 035
Net gain (loss) on foreign cash balances	–	(2)
TOTAL OTHER INCOME (LOSS)	–	(2)
TOTAL INCOME (LOSS)	(1 222)	7 033
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 696	1 289
Administration fees	154	109
Independent Review Committee costs	2	3
GST/HST	183	136
TOTAL EXPENSES	2 035	1 537
INCREASE (DECREASE) IN NAV	\$ (3 257)	\$ 5 496
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 729)	\$ 2 642
ADVISOR SERIES	\$ (467)	\$ 776
ADVISOR T5 SERIES	\$ (71)	\$ 60
SERIES T5	\$ (44)	\$ 63
SERIES F	\$ (666)	\$ 1 074
SERIES FT5	\$ (108)	\$ 223
SERIES I	\$ (26)	\$ 101
SERIES O	\$ (146)	\$ 557
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.23)	\$ 0.45
ADVISOR SERIES	\$ (0.25)	\$ 0.46
ADVISOR T5 SERIES	\$ (0.20)	\$ 0.39
SERIES T5	\$ (0.22)	\$ 0.41
SERIES F	\$ (0.16)	\$ 0.47
SERIES FT5	\$ (0.15)	\$ 0.51
SERIES I	\$ (0.14)	\$ 0.57
SERIES O	\$ (0.06)	\$ 0.61

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 257)	\$ 5 496
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(6 722)	(4 417)
Net realized loss (gain) on investments	162	(133)
Change in unrealized loss (gain) on investments	7 790	(2 479)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(5)	71
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(251 362)	(352 329)
Proceeds from sale and maturity of investments	245 325	285 038
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(8 069)	(68 753)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	72 640	99 492
Cash paid on redemption of redeemable units	(63 271)	(30 075)
Distributions paid to holders of redeemable units	(1 299)	(664)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 8 070	\$ 68 753
Net increase (decrease) in cash for the period	1	—
Cash (bank overdraft), beginning of period	20	20
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 21	\$ 20
Interest received (paid)	\$ 10	\$ 7
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 73 861	\$ 39 746	\$ 18 396	\$ 15 504	\$ 1 879	\$ 1 114	\$ 1 626	\$ 1 194
INCREASE (DECREASE) IN NAV	(1 729)	2 642	(467)	776	(71)	60	(44)	63
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	26 500	51 092	7 369	7 049	1 663	1 151	476	570
Reinvestments of distributions to holders of redeemable units	1 656	902	393	213	29	4	34	19
Redemption of redeemable units	(32 791)	(19 582)	(7 584)	(4 898)	(151)	(377)	(274)	(147)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(4 635)	32 412	178	2 364	1 541	778	236	442
Distributions from net income	(1 246)	(882)	(293)	(233)	(56)	(24)	(32)	(24)
Distributions from net gains	(516)	(57)	(165)	(15)	(18)	(1)	(10)	(2)
Distributions from capital	—	—	—	—	(93)	(48)	(52)	(47)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 762)	(939)	(458)	(248)	(167)	(73)	(94)	(73)
NET INCREASE (DECREASE) IN NAV	(8 126)	34 115	(747)	2 892	1 303	765	98	432
NAV AT END OF PERIOD	\$ 65 735	\$ 73 861	\$ 17 649	\$ 18 396	\$ 3 182	\$ 1 879	\$ 1 724	\$ 1 626

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series I	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 33 687	\$ 14 073	\$ 5 392	\$ 4 288	\$ 1 884	\$ 1 709
INCREASE (DECREASE) IN NAV	(666)	1 074	(108)	223	(26)	101
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	28 710	26 122	2 335	2 723	—	90
Reinvestments of distributions to holders of redeemable units	789	369	11	8	41	34
Redemption of redeemable units	(17 452)	(7 321)	(3 277)	(1 640)	(602)	(4)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	12 047	19 170	(931)	1 091	(561)	120
Distributions from net income	(931)	(592)	(176)	(105)	(47)	(43)
Distributions from net gains	(437)	(38)	(26)	(7)	(12)	(3)
Distributions from capital	—	—	(138)	(98)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 368)	(630)	(340)	(210)	(59)	(46)
NET INCREASE (DECREASE) IN NAV	10 013	19 614	(1 379)	1 104	(646)	175
NAV AT END OF PERIOD	\$ 43 700	\$ 33 687	\$ 4 013	\$ 5 392	\$ 1 238	\$ 1 884

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 18 061	\$ 4 413	\$ 154 786	\$ 82 041
INCREASE (DECREASE) IN NAV	(146)	557	(3 257)	5 496
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	12 763	16 560	79 816	105 357
Reinvestments of distributions to holders of redeemable units	963	380	3 916	1 929
Redemption of redeemable units	(4 451)	(3 469)	(66 582)	(37 438)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	9 275	13 471	17 150	69 848
Distributions from net income	(739)	(357)	(3 520)	(2 260)
Distributions from net gains	(224)	(23)	(1 408)	(146)
Distributions from capital	—	—	(283)	(193)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(963)	(380)	(5 211)	(2 599)
NET INCREASE (DECREASE) IN NAV	8 166	13 648	8 682	72 745
NAV AT END OF PERIOD	\$ 26 227	\$ 18 061	\$ 163 468	\$ 154 786



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 anywhere in the world.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 72.6% (December 31, 2017 – 76.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	14.4	21.7
AA	34.8	29.0
A	14.9	14.8
BBB	19.5	17.6
BB	6.8	7.3
B	6.8	6.9
CCC	0.9	0.9
D	0.1	–
Unrated	1.8	1.8
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	76.0	76.8
Canadian Equity Funds	10.6	9.9
United States Equity Funds	6.6	7.0
International Equity Funds	6.5	6.9
Cash/Other	0.3	(0.6)
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 75.0% (December 31, 2017 – 76.0%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.1	1.8
1 – 5 years	36.2	35.5
5 – 10 years	31.1	32.6
> 10 years	30.6	30.1
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.2% (December 31, 2017 – 5.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	7.2	8.9
Euro	1.4	1.6
Hong Kong dollar	1.1	0.7
Pound sterling	0.8	1.0
South Korean won	–	0.6
Brazilian real	–	0.5
Other currencies	4.5	4.2
Total	15.0	17.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.8% (December 31, 2017 – 0.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (December 31, 2017 – 35-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.2	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	162 929	–	–	162 929
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	491	–	491
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(1)	–	(1)
Total financial instruments	162 929	490	–	163 419
% of total portfolio	99.7	0.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	155 713	–	–	155 713
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 597	–	1 597
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	155 713	1 597	–	157 310
% of total portfolio	99.0	1.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.40%	0.10%
Advisor Series	1.40%	0.10%
Advisor T5 Series	1.40%	0.10%
Series T5	1.40%	0.10%
Series F	0.65%	0.10%
Series FT5	0.65%	0.10%
Series I	0.55%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor T5 Series	122	116
Series T5	122	116
Series FT5	122	116
Series I	115	110
Series O	121	116
Value of all units	5	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Monthly				
Income Bond Fund	7.0	0.7	7.1	0.6
Phillips, Hager & North				
Total Return Bond Fund	26.5	0.5	26.7	0.5
RBC Bond Fund	26.4	0.2	26.7	0.2
RBC Canadian Equity				
Income Fund	10.6	0.6	9.9	0.4
RBC Emerging Markets				
Dividend Fund	3.7	0.6	3.5	0.7



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC European				
Dividend Fund	2.8	3.0	3.4	3.2
RBC Global Corporate				
Bond Fund	9.2	0.1	9.2	0.1
RBC Global High Yield				
Bond Fund	7.0	0.3	7.1	0.3
RBC U.S. Dividend Fund	6.6	0.3	7.0	0.3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	7 266	4 041
Issued number of units	2 641	5 079
Reinvested number of units	169	90
Redeemed number of units	(3 280)	(1 944)
Ending number of units	6 796	7 266
Advisor Series		
Opening units	1 810	1 577
Issued number of units	734	698
Reinvested number of units	40	21
Redeemed number of units	(759)	(486)
Ending number of units	1 825	1 810
Advisor T5 Series		
Opening units	201	119
Issued number of units	180	122
Reinvested number of units	3	–
Redeemed number of units	(17)	(40)
Ending number of units	367	201
Series T5		
Opening units	174	127
Issued number of units	51	61
Reinvested number of units	4	2
Redeemed number of units	(30)	(16)
Ending number of units	199	174
Series F		
Opening units	3 313	1 429
Issued number of units	2 866	2 573
Reinvested number of units	80	37
Redeemed number of units	(1 748)	(726)
Ending number of units	4 511	3 313

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	563	450
Issued number of units	246	284
Reinvested number of units	1	1
Redeemed number of units	(362)	(172)
Ending number of units	448	563
Series I		
Opening units	187	175
Issued number of units	(1)	9
Reinvested number of units	4	3
Redeemed number of units	(61)	–
Ending number of units	129	187
Series O		
Opening units	1 777	448
Issued number of units	1 275	1 635
Reinvested number of units	98	38
Redeemed number of units	(446)	(344)
Ending number of units	2 704	1 777



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC BALANCED GROWTH & INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
140 545	BCE Inc.	\$ 7 939	\$ 7 579	
85 000	Cineplex Inc.	2 328	2 162	
121 100	TELUS Corp.	5 116	5 479	
		15 383	15 220	1.1
Consumer Discretionary				
25 062	Canadian Tire Corp. Ltd., Class A	4 241	3 577	
35 000	Magna International Inc., Class A	2 461	2 169	
		6 702	5 746	0.4
Consumer Staples				
105 100	Empire Co. Ltd., Class A	2 509	3 030	
64 843	George Weston Ltd.	6 143	5 839	
52 864	Maple Leaf Foods Inc.	934	1 445	
		9 586	10 314	0.7
Energy				
203 799	ARC Resources Ltd.	4 811	1 651	
330 750	Canadian Natural Resources Ltd.	12 704	10 895	
151 458	Cenovus Energy Inc.	3 206	1 454	
240 000	Crescent Point Energy Corp.	4 154	994	
572 918	Enbridge Inc.	27 603	24 297	
159 453	Enerflex Ltd.	2 417	2 548	
109 257	Gibson Energy Inc.	2 106	2 041	
182 807	Keyera Corp.	6 578	4 718	
86 336	Kinder Morgan Canada Ltd.	1 385	1 375	
155 363	Pembina Pipeline Corp.	6 461	6 294	
183 928	PrairieSky Royalty Ltd.	5 359	3 250	
250 000	Secure Energy Services Inc.	2 033	1 753	
140 000	ShawCor Ltd.	3 855	2 321	
282 876	Suncor Energy Inc.	11 449	10 786	
100 000	Tourmaline Oil Corp.	2 369	1 698	
291 638	TransCanada Corp.	15 867	14 217	
129 165	Vermilion Energy Inc.	5 834	3 715	
		118 191	94 007	6.5
Financials				
300 000	AGF Management Ltd., Class B	2 079	1 446	
96 739	Bank of Montreal	8 873	8 628	
376 428	Bank of Nova Scotia	26 678	25 616	
146 781	Brookfield Asset Management Inc., Class A	6 098	7 680	
99 652	Canadian Imperial Bank of Commerce	10 756	10 132	
212 090	Element Fleet Management Corp.	1 421	1 465	
70 000	Great-West Lifeco Inc.	2 255	1 972	
714 931	Manulife Financial Corporation	16 387	13 847	
20 000	National Bank of Canada	1 177	1 120	
344 499	Royal Bank of Canada*	29 208	32 189	
187 335	Sun Life Financial Inc.	8 307	8 483	
307 627	Toronto-Dominion Bank	19 608	20 875	
		132 847	133 453	9.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
223 462	Chartwell Retirement Residences Real Estate Investment Trust	\$ 3 063	\$ 3 055	
		3 063	3 055	0.2
Industrials				
77 500	AG Growth International Inc.	4 588	3 627	
44 000	Canadian National Railway Co.	4 502	4 449	
17 024	Canadian Pacific Railway Ltd.	3 362	4 124	
135 000	Finning International Inc.	3 979	3 213	
185 136	Russel Metals Inc.	5 164	3 949	
47 549	SNC-Lavalin Group Inc.	2 650	2 183	
81 586	Thomson Reuters Corp.	4 314	5 378	
150 000	Transcontinental Inc., Class A	3 039	2 895	
		31 598	29 818	2.1
Materials				
164 220	Agnico Eagle Mines Ltd.	9 109	9 049	
285 000	Barrick Gold Corp.	5 911	5 253	
252 672	Goldcorp Inc.	5 632	3 378	
70 000	Labrador Iron Ore Royalty Corp.	1 779	1 697	
50 000	Norbord Inc.	2 328	1 815	
106 747	Nutrien Ltd.	6 963	6 845	
190 000	Teck Resources Ltd., Class B	5 826	5 584	
65 000	Wheaton Precious Metals Corp.	1 137	1 732	
		38 685	35 353	2.4
Real Estate				
276 688	Brookfield Property Partners LP	7 406	6 093	
450 000	BSR Real Estate Investment Trust	5 690	4 915	
248 241	Choice Properties Real Estate Investment Trust	2 936	2 860	
220 000	Cominar Real Estate Investment Trust	2 674	2 464	
200 000	CT Real Estate Investment Trust	2 587	2 306	
250 000	Dream Industrial Real Estate Investment Trust	2 555	2 380	
309 595	Dream Unlimited Corp.	2 047	2 118	
173 022	First Capital Realty Inc.	3 443	3 261	
22 000	Granite Real Estate Investment Trust	1 138	1 171	
90 000	H&R Real Estate Investment Trust	2 085	1 859	
200 000	RioCan Real Estate Investment Trust	4 681	4 760	
965 000	StorageVault Canada Inc.	2 503	2 287	
252 500	Tricon Capital Group Inc.	2 391	2 447	
331 212	WPT Industrial Real Estate Investment Trust	5 173	5 810	
		47 309	44 731	3.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
222 138	Algonquin Power & Utilities Corp.	\$ 2 604	\$ 3 050	
78 012	AltaGas Canada Inc.	1 131	1 265	
71 068	AltaGas Ltd.	1 167	988	
262 085	Boralex Inc., Class A	4 639	4 414	
94 567	Brookfield Infrastructure Partners LP	4 402	4 459	
60 356	Brookfield Renewable Partners LP	2 032	2 134	
47 152	Canadian Utilities Ltd., Class A	1 700	1 477	
89 041	Fortis Inc.	3 593	4 052	
167 471	Innervex Renewable Energy Inc.	2 119	2 100	
192 000	Northland Power Inc.	4 356	4 166	
220 000	Superior Plus Corp.	2 090	2 130	
359 443	TransAlta Corp.	2 544	2 009	
330 223	TransAlta Renewables Inc.	4 325	3 424	
		36 702	35 668	2.4
TOTAL CANADIAN EQUITIES		440 066	407 365	28.1
UNITED STATES EQUITIES				
Communication Services				
68 500	AT&T Inc.	2 859	2 669	
44 800	Comcast Corp., Class A	2 002	2 083	
25 800	The Walt Disney Company	3 762	3 863	
		8 623	8 615	0.6
Consumer Discretionary				
12 400	Dollar General Corp.	1 289	1 830	
20 800	Home Depot Inc.	3 957	4 881	
7 900	Lowe's Companies	1 025	996	
17 500	McDonald's Corp.	2 738	4 242	
9 200	Ross Stores Inc.	1 026	1 045	
11 500	Starbucks Corp.	1 026	1 012	
20 000	Target Corporation	2 042	1 805	
30 300	TJX Companies Inc.	1 731	1 851	
		14 834	17 662	1.2
Consumer Staples				
48 600	Altria Group Inc.	3 578	3 277	
42 100	Mondelez International Inc.	2 253	2 301	
24 300	PepsiCo Inc.	3 323	3 665	
31 400	Philip Morris International Inc.	3 704	2 862	
54 000	The Coca-Cola Co.	3 302	3 491	
30 100	The Procter & Gamble Co.	3 428	3 778	
7 500	Walgreens Boots Alliance Inc.	712	700	
19 000	Walmart Inc.	2 199	2 416	
		22 499	22 490	1.6
Energy				
18 300	Chevron Corp.	2 317	2 719	
32 200	ConocoPhillips	2 391	2 741	
27 900	Exxon Mobil Corp.	2 990	2 598	
16 800	Marathon Petroleum Corp.	1 488	1 353	
11 700	Phillips 66 Company	1 720	1 376	
		10 906	10 787	0.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
210 900	Bank of America Corp.	\$ 5 778	\$ 7 102	
15 100	CME Group Inc., Class A	3 192	3 878	
57 400	JPMorgan Chase & Co.	4 964	7 658	
39 600	MetLife Inc.	2 249	2 220	
17 800	PNC Bank Corp.	3 023	2 840	
10 400	Prudential Financial Inc.	1 384	1 158	
17 200	The Progressive Corp.	1 547	1 417	
22 000	Wells Fargo & Company	1 535	1 384	
		23 672	27 657	1.9
Health Care				
25 400	Abbott Laboratories	1 906	2 508	
22 800	AbbVie Inc.	2 717	2 870	
6 200	Amgen Inc.	1 343	1 649	
15 900	Anthem Inc.	4 936	5 701	
22 200	Baxter International Inc.	2 058	1 995	
5 000	Becton Dickinson & Co.	1 623	1 538	
41 100	Bristol-Myers Squibb Co.	2 827	2 916	
56 248	CVS Health Corp.	5 326	5 031	
9 300	Eli Lilly & Co.	1 041	1 469	
30 900	Johnson & Johnson	4 479	5 445	
29 200	Medtronic Plc.	2 951	3 627	
52 700	Merck & Co. Inc.	3 955	5 502	
71 300	Pfizer Inc.	3 438	4 249	
19 600	UnitedHealth Group Incorporated	2 844	6 667	
		41 444	51 167	3.5
Industrials				
12 800	Boeing Co.	3 664	5 636	
5 500	Caterpillar Inc.	929	954	
16 400	CSX Corp.	1 480	1 391	
23 900	Delta Air Lines Inc.	1 853	1 628	
10 900	Eaton Corp Plc.	1 115	1 022	
16 900	Honeywell International Inc.	2 797	3 048	
16 900	Ingersoll-Rand Plc., Class A	2 256	2 104	
4 800	Lockheed Martin Corporation	1 907	1 716	
8 200	Raytheon Company	1 938	1 717	
23 400	Union Pacific Corp.	4 005	4 416	
7 400	United Technologies Corp.	1 275	1 076	
		23 219	24 708	1.7
Information Technology				
43 730	Apple Inc.	8 101	9 429	
9 200	Applied Materials Inc.	435	412	
22 800	Broadcom Inc.	6 072	7 915	
148 400	Cisco Systems Inc.	6 293	8 794	
92 000	HP Inc.	2 855	2 570	
97 900	Intel Corp.	5 742	6 277	
13 200	International Business Machines	2 165	2 048	
1 500	Lam Research Corp.	293	279	
11 100	Mastercard Inc.	2 959	2 859	
104 600	Microsoft Corp.	7 714	14 518	
56 500	Texas Instruments Inc.	5 991	7 289	
20 400	Visa Inc., Class A	3 820	3 676	
		52 440	66 066	4.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
9 600	Air Products & Chemicals Inc.	\$ 2 040	\$ 2 098	
11 700	LyondellBasell Industries N.V.	1 439	1 329	
		<u>3 479</u>	<u>3 427</u>	<u>0.2</u>
Real Estate				
23 400	Crown Castle International Corp.			
	Real Estate Investment Trust	3 149	3 471	
8 800	Extra Space Storage Inc. Real Estate Investment Trust	1 080	1 087	
12 500	Simon Property Group Inc.	2 904	2 867	
		<u>7 133</u>	<u>7 425</u>	<u>0.5</u>
Utilities				
15 800	Ameren Corporation	1 351	1 407	
17 400	American Electric Power	1 589	1 775	
14 700	Dominion Energy Inc.	1 422	1 435	
10 800	Duke Energy Corp.	1 052	1 272	
18 000	Eversource Energy	1 408	1 598	
25 000	Exelon Corp.	1 305	1 539	
16 000	FirstEnergy Corporation	845	820	
13 000	NextEra Energy Inc.	1 999	3 085	
8 500	WEC Energy Group Inc.	850	804	
		<u>11 821</u>	<u>13 735</u>	<u>0.9</u>
TOTAL UNITED STATES EQUITIES		<u>220 070</u>	<u>253 739</u>	<u>17.3</u>
TOTAL EQUITIES		<u>660 136</u>	<u>661 104</u>	<u>45.4</u>
UNDERLYING FUNDS				
10 119 161	BlueBay Global Monthly Income Bond Fund*	104 310	97 556	
89 800	iShares Dow Jones US Real Estate Index Fund	9 014	9 187	
300 000	iShares S&P/TSX Global Gold Index Fund	2 982	3 510	
16 921 052	Phillips, Hager & North Total Return Bond Fund*	193 788	187 379	
12 543 319	RBC Emerging Markets Dividend Fund*	147 658	154 270	
8 894 476	RBC European Dividend Fund*	101 141	94 329	
13 433 549	RBC Global Corporate Bond Fund*	131 958	127 942	
9 598 278	RBC Global High Yield Bond Fund*	103 210	96 726	
		<u>794 061</u>	<u>770 899</u>	<u>53.0</u>
SHORT-TERM INVESTMENTS†		<u>23 374</u>	<u>23 378</u>	<u>1.6</u>
TOTAL INVESTMENTS		<u>\$1 477 571</u>	<u>1 455 381</u>	<u>100.0</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			545	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$1 455 926</u>		<u>100.0</u>

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.59% and mature between January 2, 2019 and January 30, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 455 381	\$ 1 547 474
Cash	368	497
Due from investment dealers	600	539
Subscriptions receivable	842	2 155
Dividends receivable, interest accrued and other assets	1 980	1 578
TOTAL ASSETS	1 459 171	1 552 243
LIABILITIES		
Due to investment dealers	—	1 750
Redemptions payable	870	903
Distributions payable	427	426
Accounts payable and accrued expenses	1 948	2 099
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 245	5 178
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 455 926	\$ 1 547 065
Investments at cost	\$ 1 477 571	\$ 1 427 880
NAV		
SERIES A	\$ 475 834	\$ 534 305
ADVISOR SERIES	\$ 325 713	\$ 349 293
ADVISOR T5 SERIES	\$ 45 866	\$ 55 234
SERIES T5	\$ 17 574	\$ 22 728
SERIES H	\$ 27 859	\$ 35 828
SERIES D	\$ 26 774	\$ 27 000
SERIES F	\$ 372 940	\$ 367 673
SERIES FT5	\$ 54 779	\$ 56 781
SERIES I	\$ 28 836	\$ 34 118
SERIES O	\$ 79 751	\$ 64 105
NAV PER UNIT		
SERIES A	\$ 11.51	\$ 12.67
ADVISOR SERIES	\$ 11.51	\$ 12.67
ADVISOR T5 SERIES	\$ 10.31	\$ 11.46
SERIES T5	\$ 10.31	\$ 11.46
SERIES H	\$ 11.60	\$ 12.78
SERIES D	\$ 11.58	\$ 12.75
SERIES F	\$ 11.65	\$ 12.82
SERIES FT5	\$ 10.95	\$ 12.03
SERIES I	\$ 11.61	\$ 12.80
SERIES O	\$ 11.27	\$ 12.40

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 24 155	\$ 18 580
Interest for distribution purposes	391	277
Income from investment trusts	35 730	28 223
Derivative income	106	72
Net realized gain (loss) on investments	32 111	27 822
Change in unrealized gain (loss) on investments	(141 784)	58 733
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(49 291)	133 707
Securities lending revenue (see note 7 in the generic notes)	97	69
Net gain (loss) on foreign cash balances	478	189
TOTAL OTHER INCOME (LOSS)	575	258
TOTAL INCOME (LOSS)	(48 716)	133 965
EXPENSES (see notes – Fund Specific Information)		
Management fees	21 098	18 960
Administration fees	1 518	1 312
Independent Review Committee costs	2	3
GST/HST	2 226	2 001
Transaction costs	919	692
Withholding tax	1 096	917
TOTAL EXPENSES	26 859	23 885
INCREASE (DECREASE) IN NAV	\$ (75 575)	\$ 110 080
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (27 159)	\$ 38 406
ADVISOR SERIES	\$ (18 266)	\$ 25 333
ADVISOR T5 SERIES	\$ (2 821)	\$ 4 320
SERIES T5	\$ (966)	\$ 1 769
SERIES H	\$ (1 578)	\$ 3 394
SERIES D	\$ (1 301)	\$ 1 992
SERIES F	\$ (17 012)	\$ 23 814
SERIES FT5	\$ (2 454)	\$ 3 787
SERIES I	\$ (1 247)	\$ 3 301
SERIES O	\$ (2 771)	\$ 3 964
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.65)	\$ 0.97
ADVISOR SERIES	\$ (0.65)	\$ 0.99
ADVISOR T5 SERIES	\$ (0.58)	\$ 0.93
SERIES T5	\$ (0.46)	\$ 0.85
SERIES H	\$ (0.62)	\$ 1.03
SERIES D	\$ (0.55)	\$ 1.04
SERIES F	\$ (0.54)	\$ 1.11
SERIES FT5	\$ (0.49)	\$ 1.06
SERIES I	\$ (0.49)	\$ 1.16
SERIES O	\$ (0.44)	\$ 1.17

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (75 575)	\$ 110 080
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(34 165)	(26 946)
Net realized loss (gain) on investments	(31 175)	(27 257)
Change in unrealized loss (gain) on investments	141 784	(58 733)
(Increase) decrease in accrued receivables	(402)	(347)
Increase (decrease) in accrued payables	(151)	528
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 915 702)	(2 150 039)
Proceeds from sale and maturity of investments	1 929 540	1 797 766
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	14 154	(354 948)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	380 073	600 601
Cash paid on redemption of redeemable units	(378 616)	(236 154)
Distributions paid to holders of redeemable units	(15 740)	(9 408)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (14 283)	\$ 355 039
Net increase (decrease) in cash for the period	(129)	91
Cash (bank overdraft), beginning of period	497	406
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 368	\$ 497
Interest received (paid)	\$ 399	\$ 265
Dividends received, net of withholding taxes	\$ 22 648	\$ 17 328

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 534 305	\$ 402 434	\$ 349 293	\$ 288 737	\$ 55 234	\$ 52 790	\$ 22 728	\$ 19 327
INCREASE (DECREASE) IN NAV	(27 159)	38 406	(18 266)	25 333	(2 821)	4 320	(966)	1 769
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	120 000	223 219	73 871	101 094	11 697	11 161	14 339	17 450
Reinvestments of distributions to holders of redeemable units	19 487	9 952	12 545	6 053	622	557	415	439
Redemption of redeemable units	(150 241)	(129 254)	(77 778)	(65 162)	(16 129)	(10 987)	(17 664)	(15 078)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(10 754)	103 917	8 638	41 985	(3 810)	731	(2 910)	2 811
Distributions from net income	(7 221)	(5 712)	(4 828)	(3 668)	(738)	(635)	(322)	(290)
Distributions from net gains	(13 337)	(4 740)	(9 124)	(3 094)	(1 174)	(426)	(448)	(169)
Distributions from capital	—	—	—	—	(825)	(1 546)	(508)	(720)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(20 558)	(10 452)	(13 952)	(6 762)	(2 737)	(2 607)	(1 278)	(1 179)
NET INCREASE (DECREASE) IN NAV	(58 471)	131 871	(23 580)	60 556	(9 368)	2 444	(5 154)	3 401
NAV AT END OF PERIOD	\$ 475 834	\$ 534 305	\$ 325 713	\$ 349 293	\$ 45 866	\$ 55 234	\$ 17 574	\$ 22 728

For the periods ended December 31 (see note 2 in the generic notes)	Series H		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 35 828	\$ 47 015	\$ 27 000	\$ 16 936	\$ 367 673	\$ 167 125	\$ 56 781	\$ 28 137
INCREASE (DECREASE) IN NAV	(1 578)	3 394	(1 301)	1 992	(17 012)	23 814	(2 454)	3 787
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	1 122	1 559	11 905	15 838	147 091	225 773	21 514	33 083
Reinvestments of distributions to holders of redeemable units	1 129	456	1 386	705	13 653	6 617	479	352
Redemption of redeemable units	(7 363)	(16 073)	(10 796)	(7 753)	(118 177)	(45 882)	(18 526)	(6 470)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 112)	(14 058)	2 495	8 790	42 567	186 508	3 467	26 965
Distributions from net income	(506)	(523)	(650)	(481)	(9 884)	(6 555)	(1 451)	(959)
Distributions from net gains	(773)	—	(770)	(237)	(10 404)	(3 219)	(1 427)	(428)
Distributions from capital	—	—	—	—	—	—	(137)	(721)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 279)	(523)	(1 420)	(718)	(20 288)	(9 774)	(3 015)	(2 108)
NET INCREASE (DECREASE) IN NAV	(7 969)	(11 187)	(226)	10 064	5 267	200 548	(2 002)	28 644
NAV AT END OF PERIOD	\$ 27 859	\$ 35 828	\$ 26 774	\$ 27 000	\$ 372 940	\$ 367 673	\$ 54 779	\$ 56 781

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 34 118	\$ 39 106	\$ 64 105	\$ 19 740	\$ 1 547 065	\$ 1 081 347
INCREASE (DECREASE) IN NAV	(1 247)	3 301	(2 771)	3 964	(75 575)	110 080
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	927	2 258	28 173	46 697	430 639	678 132
Reinvestments of distributions to holders of redeemable units	791	610	4 885	2 006	55 392	27 747
Redemption of redeemable units	(4 064)	(10 013)	(9 724)	(6 296)	(430 462)	(312 968)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 346)	(7 145)	23 334	42 407	55 569	392 911
Distributions from net income	(874)	(843)	(2 614)	(1 436)	(29 088)	(21 102)
Distributions from net gains	(815)	(301)	(2 303)	(570)	(40 575)	(13 184)
Distributions from capital	—	—	—	—	(1 470)	(2 987)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 689)	(1 144)	(4 917)	(2 006)	(71 133)	(37 273)
NET INCREASE (DECREASE) IN NAV	(5 282)	(4 988)	15 646	44 365	(91 139)	465 718
NAV AT END OF PERIOD	\$ 28 836	\$ 34 118	\$ 79 751	\$ 64 105	\$ 1 455 926	\$ 1 547 065



December 31, 2018

Series H and Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series H and Series I units of the Fund can continue to make additional investments into these series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 32.0% (December 31, 2017 – 34.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	11.2	17.4
AA	18.5	14.4
A	15.8	14.4
BBB	23.2	21.6
BB	12.5	13.5
B	13.3	13.2
CCC	1.9	1.8
D	0.1	0.1
Unrated	3.5	3.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Underlying Funds	53.0	51.1
Canadian Equities	28.1	28.3
United States Equities	17.3	18.8
Cash/Other	1.6	1.8
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 35.0% (December 31, 2017 – 34.9%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	2.0	1.8
1 – 5 years	35.2	34.4
5 – 10 years	35.7	37.8
> 10 years	27.1	26.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	20.9	22.1
Euro	3.0	2.9
Hong Kong dollar	2.9	2.0
Pound sterling	1.8	1.8
South Korean won	1.2	1.6
Indian rupee	1.0	0.9
New Taiwan dollar	0.9	1.1
Swiss franc	0.9	0.8
Brazilian real	0.8	1.0
South African rand	0.8	0.7
Other currencies	3.7	4.1
Total	37.9	39.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.9% (December 31, 2017 – 2.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	661 104	–	–	661 104
Underlying funds	770 899	–	–	770 899
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	23 378	–	23 378
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 432 003	23 378	–	1 455 381
% of total portfolio	98.4	1.6	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	711 401	1 128	–	712 529
Underlying funds	806 773	–	–	806 773
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	28 172	–	28 172
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 518 174	29 300	–	1 547 474
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Advisor T5 Series	1.75%	0.10%
Series T5	1.75%	0.10%
Series H	1.60%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series FT5	0.75%	0.10%
Series I	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	132	124
Value of all units	1	2

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Monthly				
Income Bond Fund	6.7	5.6	6.7	6.1
Phillips, Hager & North				
Total Return Bond Fund	12.9	2.2	12.8	2.4
RBC Emerging Markets				
Dividend Fund	10.6	15.1	9.8	18.6
RBC European				
Dividend Fund	6.5	62.7	6.4	60.4



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Global Corporate Bond Fund	8.8	1.2	8.7	1.4
RBC Global High Yield Bond Fund	6.6	2.7	6.7	2.8

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector SPDR Fund	–	–	0.4	–
iShares Dow Jones US Real Estate Index Fund	0.6	0.2	0.5	0.1
iShares S&P/TSX Global Gold Index Fund	0.2	0.4	–	–
SPDR KBW Regional Banking Fund	–	–	0.2	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	42 173	33 746
Issued number of units	9 578	18 025
Reinvested number of units	1 669	790
Redeemed number of units	(12 065)	(10 388)
Ending number of units	41 355	42 173
Advisor Series		
Opening units	27 564	24 205
Issued number of units	5 905	8 136
Reinvested number of units	1 074	480
Redeemed number of units	(6 244)	(5 257)
Ending number of units	28 299	27 564
Advisor T5 Series		
Opening units	4 819	4 752
Issued number of units	1 042	983
Reinvested number of units	57	49
Redeemed number of units	(1 468)	(965)
Ending number of units	4 450	4 819

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening units	1 983	1 740
Issued number of units	1 272	1 525
Reinvested number of units	38	39
Redeemed number of units	(1 588)	(1 321)
Ending number of units	1 705	1 983
Series H		
Opening units	2 804	3 943
Issued number of units	88	125
Reinvested number of units	96	36
Redeemed number of units	(586)	(1 300)
Ending number of units	2 402	2 804
Series D		
Opening units	2 118	1 412
Issued number of units	946	1 268
Reinvested number of units	117	56
Redeemed number of units	(869)	(618)
Ending number of units	2 312	2 118
Series F		
Opening units	28 687	13 857
Issued number of units	11 595	17 960
Reinvested number of units	1 144	521
Redeemed number of units	(9 408)	(3 651)
Ending number of units	32 018	28 687
Series FT5		
Opening units	4 721	2 442
Issued number of units	1 839	2 796
Reinvested number of units	41	30
Redeemed number of units	(1 597)	(547)
Ending number of units	5 004	4 721
Series I		
Opening units	2 666	3 247
Issued number of units	77	178
Reinvested number of units	66	48
Redeemed number of units	(325)	(807)
Ending number of units	2 484	2 666
Series O		
Opening units	5 168	1 691
Issued number of units	2 294	3 830
Reinvested number of units	422	163
Redeemed number of units	(807)	(516)
Ending number of units	7 077	5 168

Please see the generic notes at the back of the financial statements.



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	919	100	692	100
Related-party brokerage commissions*	126	14	67	10
Commission arrangements†	84	9	95	14

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	47 775		70 196	
Fair value of collateral received	48 731		71 600	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	132	100	101	100
RBC IS (paid)	(33)	(25)	(28)	(28)
Tax withheld	(2)	(1)	(4)	(4)
Fund revenue	97	74	69	68



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL GROWTH & INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
595 569	BlueBay Global Monthly Income Bond Fund*	\$ 6 056	\$ 5 742	
1 654 970	RBC Emerging Markets Equity Fund*	28 904	27 553	
545 399	RBC Emerging Markets Foreign Exchange Fund*	5 640	5 780	
1 327 251	RBC European Mid-Cap Equity Fund*	14 176	13 517	
2 953 939	RBC Global Bond Fund*	32 379	32 382	
2 819 992	RBC Global Corporate Bond Fund*	27 650	26 858	
3 613 272	RBC Global Dividend Growth Fund*	55 067	52 487	
3 351 677	RBC Global Equity Focus Fund*	55 784	52 347	
1 661 675	RBC Global High Yield Bond Fund*	17 785	16 745	
1 072 481	RBC U.S. Mid-Cap Value Equity Fund*	14 387	12 393	
TOTAL UNDERLYING FUNDS		257 828	245 804	99.5
SHORT-TERM INVESTMENTS†		1 280	1 280	0.5
TOTAL INVESTMENTS		<u>\$ 259 108</u>	247 084	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(24)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 247 060</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 247 084	\$ 84 007
Cash	6	7
Subscriptions receivable	640	464
TOTAL ASSETS	247 730	84 478
LIABILITIES		
Due to investment dealers	—	540
Redemptions payable	308	71
Distributions payable	49	10
Accounts payable and accrued expenses	313	114
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	670	735
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 247 060	\$ 83 743
Investments at cost	\$ 259 108	\$ 80 960
NAV		
SERIES A	\$ 89 394	\$ 39 981
ADVISOR SERIES	\$ 44 588	\$ 14 223
ADVISOR T5 SERIES	\$ 1 424	\$ 509
SERIES T5	\$ 2 754	\$ 896
SERIES F	\$ 85 240	\$ 26 688
SERIES FT5	\$ 7 934	\$ 1 445
SERIES O	\$ 15 726	\$ 1
NAV PER UNIT		
SERIES A	\$ 10.76	\$ 11.34
ADVISOR SERIES	\$ 10.77	\$ 11.34
ADVISOR T5 SERIES	\$ 10.05	\$ 10.78
SERIES T5	\$ 10.06	\$ 10.79
SERIES F	\$ 10.93	\$ 11.49
SERIES FT5	\$ 10.39	\$ 11.02
SERIES O	\$ 11.19	\$ 11.59

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 27	\$ 5
Income from investment trusts	9 887	2 682
Derivative income	(7)	1
Net realized gain (loss) on investments	793	363
Change in unrealized gain (loss) on investments	(15 071)	2 564
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(4 371)	5 615
Net gain (loss) on foreign cash balances	(1)	—
TOTAL OTHER INCOME (LOSS)	(1)	—
TOTAL INCOME (LOSS)	(4 372)	5 615
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 534	641
Administration fees	193	45
Independent Review Committee costs	2	3
GST/HST	262	67
Expenses reimbursed by manager	—	(3)
TOTAL EXPENSES	2 991	753
INCREASE (DECREASE) IN NAV	\$ (7 363)	\$ 4 862
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 792)	\$ 2 263
ADVISOR SERIES	\$ (1 709)	\$ 886
ADVISOR T5 SERIES	\$ (39)	\$ 20
SERIES T5	\$ (82)	\$ 67
SERIES F	\$ (2 094)	\$ 1 395
SERIES FT5	\$ (188)	\$ 111
SERIES O	\$ (459)	\$ 120
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.42)	\$ 1.15
ADVISOR SERIES	\$ (0.61)	\$ 1.21
ADVISOR T5 SERIES	\$ (0.39)	\$ 1.05
SERIES T5	\$ (0.45)	\$ 1.10
SERIES F	\$ (0.36)	\$ 1.30
SERIES FT5	\$ (0.30)	\$ 1.31
SERIES O	\$ (1.05)	\$ 2.19



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (7 363)	\$ 4 862
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(9 887)	(2 682)
Net realized loss (gain) on investments	(793)	(363)
Change in unrealized loss (gain) on investments	15 071	(2 564)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	199	85
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(693 341)	(238 731)
Proceeds from sale and maturity of investments	525 333	182 508
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(170 781)	(56 885)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	231 888	69 152
Cash paid on redemption of redeemable units	(59 520)	(11 975)
Distributions paid to holders of redeemable units	(1 588)	(293)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 170 780	\$ 56 884
Net increase (decrease) in cash for the period	(1)	(1)
Cash (bank overdraft), beginning of period	7	8
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 6	\$ 7
Interest received (paid)	\$ 27	\$ 5
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 39 981	\$ 9 084	\$ 14 223	\$ 4 893	\$ 509	\$ 1	\$ 896	\$ 234
INCREASE (DECREASE) IN NAV	(2 792)	2 263	(1 709)	886	(39)	20	(82)	67
Early redemption fees	—	1	1	—	—	—	—	—
Proceeds from redeemable units issued	82 299	37 037	41 320	9 637	1 369	496	2 312	655
Reinvestments of distributions to holders of redeemable units	2 604	798	1 293	292	4	2	12	2
Redemption of redeemable units	(29 930)	(8 358)	(9 162)	(1 183)	(365)	—	(282)	(30)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	54 973	29 478	33 452	8 746	1 008	498	2 042	627
Distributions from net income	(492)	(391)	(245)	(140)	(7)	(3)	(13)	(12)
Distributions from net gains	(2 276)	(453)	(1 133)	(162)	(34)	(6)	(60)	(10)
Distributions from capital	—	—	—	—	(13)	(1)	(29)	(10)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 768)	(844)	(1 378)	(302)	(54)	(10)	(102)	(32)
NET INCREASE (DECREASE) IN NAV	49 413	30 897	30 365	9 330	915	508	1 858	662
NAV AT END OF PERIOD	\$ 89 394	\$ 39 981	\$ 44 588	\$ 14 223	\$ 1 424	\$ 509	\$ 2 754	\$ 896

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 26 688	\$ 4 620	\$ 1 445	\$ 685	\$ 1	\$ 2 144	\$ 83 743	\$ 21 661
INCREASE (DECREASE) IN NAV	(2 094)	1 395	(188)	111	(459)	120	(7 363)	4 862
Early redemption fees	—	—	—	—	—	—	1	1
Proceeds from redeemable units issued	87 401	23 363	16 446	725	16 633	—	247 780	71 913
Reinvestments of distributions to holders of redeemable units	2 441	437	28	2	509	—	6 891	1 533
Redemption of redeemable units	(25 837)	(2 528)	(9 449)	(33)	(449)	(2 263)	(75 474)	(14 395)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	64 005	21 272	7 025	694	16 693	(2 263)	179 198	59 052
Distributions from net income	(1 178)	(310)	(117)	(28)	(126)	—	(2 178)	(884)
Distributions from net gains	(2 181)	(289)	(186)	(15)	(383)	—	(6 253)	(935)
Distributions from capital	—	—	(45)	(2)	—	—	(87)	(13)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 359)	(599)	(348)	(45)	(509)	—	(8 518)	(1 832)
NET INCREASE (DECREASE) IN NAV	58 552	22 068	6 489	760	15 725	(2 143)	163 317	62 082
NAV AT END OF PERIOD	\$ 85 240	\$ 26 688	\$ 7 934	\$ 1 445	\$ 15 726	\$ 1	\$ 247 060	\$ 83 743

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 33.5% (December 31, 2017 – 33.6%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	20.1	19.2
AA	7.9	7.7
A	21.7	21.7
BBB	24.6	25.3
BB	11.4	12.2
B	11.4	10.9
CCC	1.2	1.2
D	0.1	0.1
Unrated	1.6	1.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equity Funds	59.1	53.9
Income Funds	35.4	–
United States Equity Funds	5.0	9.5
Underlying Funds	–	36.0
Cash/Other	0.5	0.6
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 33.1% (December 31, 2017 – 33.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	1.4	1.2
1 – 5 years	36.6	36.8
5 – 10 years	35.2	37.7
> 10 years	26.8	24.3
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	33.5	35.6
Euro	6.8	6.0
Pound sterling	6.4	6.2
Swiss franc	2.9	2.1
Hong Kong dollar	2.8	2.1
South African rand	2.3	2.5
Japanese yen	2.2	2.3
Indian rupee	1.9	1.6
New Taiwan dollar	1.4	1.1
Brazilian real	1.1	0.6
South Korean won	1.1	1.3
Indonesian rupiah	0.6	0.6
Danish krone	0.6	0.7
Thailand baht	0.5	–
Mexican peso	–	0.6
Chinese renminbi	–	0.6
Other currencies	3.2	3.2
Total	67.3	67.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.4% (December 31, 2017 – 3.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 35-month (December 31, 2017 – 23-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.7	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	245 804	–	–	245 804
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 280	–	1 280
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	245 804	1 280	–	247 084
% of total portfolio	99.5	0.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	83 267	–	–	83 267
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	740	–	740
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	83 267	740	–	84 007
% of total portfolio	99.1	0.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

Please see the generic notes at the back of the financial statements.

	Management fees	Administration fees
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Advisor T5 Series	1.75%	0.10%
Series T5	1.75%	0.10%
Series F	0.75%	0.10%
Series FT5	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	108	104
Advisor Series	108	104
Advisor T5 Series	116	110
Series T5	116	110
Series F	110	105
Series FT5	115	110
Series O	107	103
Value of all units	8	8

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Monthly Income Bond Fund	2.3	0.3	2.3	0.1
RBC Emerging Markets Equity Fund	11.2	0.6	10.7	0.2
RBC Emerging Markets Foreign Exchange Fund	2.3	0.6	2.3	0.3
RBC European Mid-Cap Equity Fund	5.5	2.4	4.8	37.3
RBC Global Bond Fund	13.1	0.4	13.4	0.2
RBC Global Corporate Bond Fund	10.9	0.3	11.1	0.1
RBC Global Dividend Growth Fund	21.2	1.7	19.2	0.6



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Global Equity				
Focus Fund	21.2	1.5	19.2	0.5
RBC Global High Yield				
Bond Fund	6.8	0.5	6.9	0.2
RBC U.S. Mid-Cap Value				
Equity Fund	5.0	2.1	9.5	1.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	3 527	880
Issued number of units	7 140	3 326
Reinvested number of units	247	70
Redeemed number of units	(2 604)	(749)
Ending number of units	8 310	3 527
Advisor Series		
Opening units	1 254	474
Issued number of units	3 568	864
Reinvested number of units	123	26
Redeemed number of units	(803)	(110)
Ending number of units	4 142	1 254
Advisor T5 Series		
Opening units	47	–
Issued number of units	129	47
Reinvested number of units	–	–
Redeemed number of units	(34)	–
Ending number of units	142	47
Series T5		
Opening units	83	23
Issued number of units	216	63
Reinvested number of units	1	–
Redeemed number of units	(26)	(3)
Ending number of units	274	83
Series F		
Opening units	2 323	446
Issued number of units	7 449	2 063
Reinvested number of units	228	38
Redeemed number of units	(2 204)	(224)
Ending number of units	7 796	2 323

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	131	67
Issued number of units	1 483	67
Reinvested number of units	3	–
Redeemed number of units	(853)	(3)
Ending number of units	764	131
Series O		
Opening units	–	206
Issued number of units	1 395	–
Reinvested number of units	47	–
Redeemed number of units	(37)	(206)
Ending number of units	1 405	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT INCOME SOLUTION

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
25 187	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	\$ 257	\$ 247	
34 990	BlueBay Global Sovereign Bond Fund (Canada)*	353	352	
86 563	Phillips, Hager & North Conservative Equity Income Fund*	1 043	964	
85 600	Phillips, Hager & North Total Return Bond Fund*	963	948	
137 778	RBC Bond Fund*	944	927	
1 082 026	RBC Canadian Short-Term Income Fund*	11 495	11 345	
32 019	RBC Global Bond Fund*	353	351	
26 200	RBC Global Corporate Bond Fund*	258	250	
161 692	RBC Global Dividend Growth Fund*	2 343	2 349	
102 704	RBC Global High Yield Bond Fund*	1 104	1 036	
72 877	RBC QUBE Low Volatility Canadian Equity Fund*	1 048	957	
56 683	RBC QUBE Low Volatility Global Equity Fund*	1 045	1 054	
TOTAL UNDERLYING FUNDS		21 206	20 780	99.3
SHORT-TERM INVESTMENTS†		130	130	0.6
TOTAL INVESTMENTS		<u>\$ 21 336</u>	20 910	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			21	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 20 931</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 20 910	\$ 14 084
Cash	–	15
Due from investment dealers	–	50
Subscriptions receivable	125	15
TOTAL ASSETS	21 035	14 164
LIABILITIES		
Due to investment dealers	60	5
Redemptions payable	21	2
Accounts payable and accrued expenses	23	17
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF		
REDEEMABLE UNITS	104	24
NET ASSETS ATTRIBUTABLE TO HOLDERS		
OF REDEEMABLE UNITS ("NAV")	\$ 20 931	\$ 14 140
Investments at cost	\$ 21 336	\$ 14 096
NAV		
SERIES A	\$ 13 668	\$ 10 946
ADVISOR SERIES	\$ 1	\$ 1
SERIES T5	\$ 45	\$ 115
SERIES F	\$ 7 215	\$ 3 076
SERIES FT5	\$ 1	\$ 1
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.80	\$ 10.06
ADVISOR SERIES	\$ 9.80	\$ 10.07
SERIES T5	\$ 9.13	\$ 9.66
SERIES F	\$ 9.83	\$ 10.07
SERIES FT5	\$ 9.33	\$ 9.77
SERIES O	\$ 9.70	\$ 10.06

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1	\$ 1
Income from investment trusts	586	351
Net realized gain (loss) on investments	32	9
Change in unrealized gain (loss) on investments	(414)	(9)
TOTAL NET GAIN (LOSS) ON		
INVESTMENTS AND DERIVATIVES	205	352
TOTAL INCOME (LOSS)	205	352
EXPENSES (see notes – Fund Specific Information)		
Management fees	219	128
Administration fees	9	4
Independent Review Committee costs	2	3
GST/HST	24	15
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	252	147
INCREASE (DECREASE) IN NAV	\$ (47)	\$ 205
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (64)	\$ 143
ADVISOR SERIES	\$ –	\$ –
SERIES T5	\$ (1)	\$ 2
SERIES F	\$ 18	\$ 57
SERIES FT5	\$ –	\$ –
SERIES O	\$ –	\$ 3
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.05)	\$ 0.19
ADVISOR SERIES	\$ (0.04)	\$ 0.29
SERIES T5	\$ (0.12)	\$ 0.33
SERIES F	\$ 0.04	\$ 0.24
SERIES FT5	\$ 0.04	\$ 0.36
SERIES O	\$ 0.11	\$ 0.79



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (47)	\$ 205
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(586)	(351)
Net realized loss (gain) on investments	(32)	(9)
Change in unrealized loss (gain) on investments	414	9
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	6	17
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(36 231)	(58 977)
Proceeds from sale and maturity of investments	29 714	46 290
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(6 762)	(12 816)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	11 922	15 035
Cash paid on redemption of redeemable units	(5 137)	(2 176)
Distributions paid to holders of redeemable units	(38)	(29)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 6 747	\$ 12 830
Net increase (decrease) in cash for the period	(15)	14
Cash (bank overdraft), beginning of period	15	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 15
Interest received (paid)	\$ 1	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 946	\$ 602	\$ 1	\$ 1	\$ 115	\$ 2	\$ 3 076	\$ 344
INCREASE (DECREASE) IN NAV	(64)	143	—	—	(1)	2	18	57
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	6 693	12 048	—	—	—	131	5 559	3 717
Reinvestments of distributions to holders of redeemable units	259	157	—	—	1	1	117	51
Redemption of redeemable units	(3 900)	(1 840)	—	—	(67)	(19)	(1 409)	(1 022)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 052	10 365	—	—	(66)	113	4 267	2 746
Distributions from net income	(148)	(97)	—	—	(1)	—	(92)	(52)
Distributions from net gains	(118)	(67)	—	—	—	(1)	(54)	(19)
Distributions from capital	—	—	—	—	(2)	(1)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(266)	(164)	—	—	(3)	(2)	(146)	(71)
NET INCREASE (DECREASE) IN NAV	2 722	10 344	—	—	(70)	113	4 139	2 732
NAV AT END OF PERIOD	\$ 13 668	\$ 10 946	\$ 1	\$ 1	\$ 45	\$ 115	\$ 7 215	\$ 3 076

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 1	\$ 1	146	\$ 14 140	\$ 1 096
INCREASE (DECREASE) IN NAV	—	—	—	3	(47)	205
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	—	—	—	—	12 252	15 896
Reinvestments of distributions to holders of redeemable units	—	—	—	1	377	210
Redemption of redeemable units	—	—	—	(148)	(5 376)	(3 029)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	—	—	(147)	7 253	13 077
Distributions from net income	—	—	—	(1)	(241)	(150)
Distributions from net gains	—	—	—	—	(172)	(87)
Distributions from capital	—	—	—	—	(2)	(1)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	(1)	(415)	(238)
NET INCREASE (DECREASE) IN NAV	—	—	—	(145)	6 791	13 044
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 1	1	\$ 20 931	\$ 14 140



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the needs of 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, emphasizing mutual funds whose investment objective is to generate income.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 81.6% (December 31, 2017 – 74.7%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	26.5	27.5
AA	38.7	36.0
A	14.8	17.2
BBB	14.3	13.7
BB	2.7	2.9
B	2.5	2.3
CCC	0.2	0.2
Unrated	0.3	0.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	78.5	—
International Equity Funds	16.2	15.6
Canadian Equity Funds	4.6	9.3
Underlying Funds	—	74.7
Cash/Other	0.7	0.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 74.2% (December 31, 2017 – 75.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	7.3	9.6
1 – 5 years	75.1	68.0
5 – 10 years	9.9	14.8
> 10 years	7.7	7.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.7% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	10.1	9.4
Pound sterling	1.4	1.4
Euro	1.3	1.5
Japanese yen	1.2	1.3
Swiss franc	0.8	0.7
Hong Kong dollar	0.5	—
Other currencies	1.9	1.2
Total	17.2	15.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.9% (December 31, 2017 – 0.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.2	+ or - 0.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	20 780	–	–	20 780
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	130	–	130
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	20 780	130	–	20 910
% of total portfolio	99.4	0.6	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	14 084	–	–	14 084
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	14 084	–	–	14 084
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.45%	0.05%
Advisor Series	1.45%	0.05%
Series T5	1.45%	0.05%
Series F	0.70%	0.05%
Series FT5	0.70%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	104	102
Advisor Series	105	102
Series T5	112	106
Series F	106	103
Series FT5	112	106
Series O	108	103
Value of all units	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Investment				
Grade Corporate Bond				
Fund (Canada)	1.2	–	1.3	–
BlueBay Global Sovereign				
Bond Fund (Canada)	1.7	–	1.7	–
Phillips, Hager & North				
Conservative Equity				
Income Fund	4.6	–	4.8	–
Phillips, Hager & North				
Total Return Bond Fund	4.5	–	4.5	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Bond Fund	4.4	–	4.5	–
RBC Canadian Short-Term Income Fund	54.2	0.2	54.8	0.1
RBC Global Bond Fund	1.7	–	1.7	–
RBC Global Corporate Bond Fund	1.2	–	1.2	–
RBC Global Dividend Growth Fund	11.2	0.1	10.8	0.1
RBC Global High Yield Bond Fund	4.9	–	5.0	–
RBC QUBE Low Volatility Canadian Equity Fund	4.6	0.1	4.5	–
RBC QUBE Low Volatility Global Equity Fund	5.0	0.1	4.8	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 088	60
Issued number of units	669	1 194
Reinvested number of units	26	16
Redeemed number of units	(389)	(182)
Ending number of units	1 394	1 088

Advisor Series

Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–

Series T5

Opening units	12	–
Issued number of units	–	14
Reinvested number of units	–	–
Redeemed number of units	(7)	(2)
Ending number of units	5	12

Series F

Opening units	306	35
Issued number of units	556	367
Reinvested number of units	12	5
Redeemed number of units	(140)	(101)
Ending number of units	734	306

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2020 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
39 053	BlueBay European High Yield Bond Fund (Canada)*	\$ 400	\$ 373	
156 831	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	1 609	1 540	
153 919	BlueBay Global Sovereign Bond Fund (Canada)*	1 555	1 549	
134 234	Phillips, Hager & North Canadian Equity Underlying Fund*	1 581	1 398	
77 439	Phillips, Hager & North Canadian Equity Value Fund*	1 103	1 002	
139 836	Phillips, Hager & North Conservative Equity Income Fund*	1 699	1 558	
312 218	Phillips, Hager & North Total Return Bond Fund*	3 512	3 457	
74 012	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	1 306	1 188	
16 445	RBC Asia Pacific ex-Japan Equity Fund*	205	191	
514 472	RBC Bond Fund*	3 524	3 461	
480 870	RBC Canadian Short-Term Income Fund*	5 100	5 042	
36 298	RBC Emerging Markets Equity Fund*	611	604	
27 599	RBC European Equity Fund*	636	557	
141 675	RBC Global Bond Fund*	1 563	1 553	
162 087	RBC Global Corporate Bond Fund*	1 598	1 544	
201 659	RBC Global Dividend Growth Fund*	2 920	2 929	
122 576	RBC Global Equity Focus Fund*	1 905	1 914	
183 761	RBC Global High Yield Bond Fund*	1 989	1 852	
19 432	RBC Private Canadian Mid-Cap Equity Pool*	489	436	
118 218	RBC QUBE Low Volatility Canadian Equity Fund*	1 719	1 553	
98 512	RBC QUBE Low Volatility Global Equity Fund*	1 824	1 832	
36 360	RBC U.S. Equity Value Fund*	520	530	
69 027	RBC U.S. Mid-Cap Value Equity Fund*	942	798	
TOTAL UNDERLYING FUNDS		38 310	36 861	99.7
SHORT-TERM INVESTMENTS†		159	159	0.4
TOTAL INVESTMENTS		\$ 38 469	37 020	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(24)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 36 996	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 37 020	\$ 25 732
Subscriptions receivable	25	2
TOTAL ASSETS	37 045	25 734
LIABILITIES		
Due to investment dealers	–	668
Redemptions payable	5	3
Distributions payable	–	1
Accounts payable and accrued expenses	44	27
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	49	699
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 36 996	\$ 25 035
Investments at cost	\$ 38 469	\$ 25 528
NAV		
SERIES A	\$ 24 216	\$ 14 229
ADVISOR SERIES	\$ 139	\$ 142
SERIES T5	\$ 79	\$ 133
SERIES F	\$ 12 560	\$ 10 529
SERIES FT5	\$ 1	\$ 1
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.86	\$ 10.33
ADVISOR SERIES	\$ 9.85	\$ 10.34
SERIES T5	\$ 9.42	\$ 10.13
SERIES F	\$ 9.78	\$ 10.26
SERIES FT5	\$ 9.62	\$ 10.24
SERIES O	\$ 9.63	\$ 10.19

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 3	\$ 2
Income from investment trusts	1 416	803
Net realized gain (loss) on investments	20	2
Change in unrealized gain (loss) on investments	(1 653)	215
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(214)	1 022
TOTAL INCOME (LOSS)	(214)	1 022
EXPENSES (see notes – Fund Specific Information)		
Management fees	391	171
Administration fees	19	7
Independent Review Committee costs	2	3
GST/HST	37	20
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	448	198
INCREASE (DECREASE) IN NAV	\$ (662)	\$ 824
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (503)	\$ 434
ADVISOR SERIES	\$ (3)	\$ 5
SERIES T5	\$ (3)	\$ 5
SERIES F	\$ (153)	\$ 375
SERIES FT5	\$ –	\$ –
SERIES O	\$ –	\$ 5
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.26)	\$ 0.55
ADVISOR SERIES	\$ (0.22)	\$ 1.01
SERIES T5	\$ (0.29)	\$ 1.10
SERIES F	\$ (0.13)	\$ 0.61
SERIES FT5	\$ (0.11)	\$ 0.76
SERIES O	\$ (0.04)	\$ 1.32



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (662)	\$ 824
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 416)	(803)
Net realized loss (gain) on investments	(20)	(2)
Change in unrealized loss (gain) on investments	1 653	(215)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	17	27
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(76 027)	(101 558)
Proceeds from sale and maturity of investments	63 854	78 131
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(12 601)	(23 596)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	16 681	24 402
Cash paid on redemption of redeemable units	(4 035)	(834)
Distributions paid to holders of redeemable units	(45)	(49)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 12 601	\$ 23 519
Net increase (decrease) in cash for the period	—	(77)
Cash (bank overdraft), beginning of period	—	77
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ —
Interest received (paid)	\$ 3	\$ 2
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 14 229	\$ 543	\$ 142	\$ 1	\$ 133	\$ 1	\$ 10 529	\$ 1
INCREASE (DECREASE) IN NAV	(503)	434	(3)	5	(3)	5	(153)	375
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	14 218	15 452	—	136	119	130	3 442	10 584
Reinvestments of distributions to holders of redeemable units	579	308	4	3	1	—	396	278
Redemption of redeemable units	(3 724)	(2 199)	—	—	(167)	—	(1 221)	(385)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	11 073	13 561	4	139	(47)	130	2 617	10 477
Distributions from net income	(251)	(122)	(2)	(1)	(1)	(1)	(260)	(178)
Distributions from net gains	(332)	(187)	(2)	(2)	(1)	(2)	(173)	(146)
Distributions from capital	—	—	—	—	(2)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(583)	(309)	(4)	(3)	(4)	(3)	(433)	(324)
NET INCREASE (DECREASE) IN NAV	9 987	13 686	(3)	141	(54)	132	2 031	10 528
NAV AT END OF PERIOD	\$ 24 216	\$ 14 229	\$ 139	\$ 142	\$ 79	\$ 133	\$ 12 560	\$ 10 529

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 1	\$ 1	\$ 147	\$ 25 035	\$ 694
INCREASE (DECREASE) IN NAV	—	—	—	5	(662)	824
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	—	—	—	—	17 779	26 302
Reinvestments of distributions to holders of redeemable units	—	—	—	—	980	589
Redemption of redeemable units	—	—	—	(151)	(5 112)	(2 735)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	—	—	(151)	13 647	24 156
Distributions from net income	—	—	—	—	(514)	(302)
Distributions from net gains	—	—	—	—	(508)	(337)
Distributions from capital	—	—	—	—	(2)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	(1 024)	(639)
NET INCREASE (DECREASE) IN NAV	—	—	—	(146)	11 961	24 341
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 1	\$ 1	\$ 36 996	\$ 25 035

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2020. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 55.1% (December 31, 2017 – 52.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	22.8	25.7
AA	29.0	25.8
A	15.5	17.6
BBB	21.0	20.4
BB	5.3	5.5
B	4.7	4.1
CCC	0.5	0.3
D	0.1	–
Unrated	1.1	0.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	59.3	51.9
International Equity Funds	21.7	22.2
Canadian Equity Funds	11.9	17.4
United States Equity Funds	6.8	7.9
Cash/Other	0.3	0.6
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 55.1% (December 31, 2017 – 52.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	5.5	5.3
1 – 5 years	48.2	46.1
5 – 10 years	24.3	25.8
> 10 years	22.0	22.8
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.2% (December 31, 2017 – 3.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	18.4	19.8
Euro	2.4	2.4
Pound sterling	1.9	2.1
Japanese yen	1.3	1.5
Swiss franc	1.2	1.0
Hong Kong dollar	0.9	0.8
South African rand	0.8	0.6
Brazilian real	0.7	–
Indonesian rupiah	0.5	–
Thailand baht	0.5	–
Other currencies	4.5	2.6
Total	33.1	30.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.7% (December 31, 2017 – 1.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.4	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	36 861	–	–	36 861
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	159	–	159
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	36 861	159	–	37 020
% of total portfolio	99.6	0.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	24 934	–	–	24 934
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	798	–	798
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	24 934	798	–	25 732
% of total portfolio	96.9	3.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.05%
Advisor Series	1.50%	0.05%
Series T5	1.50%	0.05%
Series F	0.75%	0.05%
Series FT5	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	104
Advisor Series	107	104
Series T5	112	106
Series F	110	106
Series FT5	112	106
Series O	109	104
Value of all units	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	1.0	0.1	–	–
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	4.2	0.1	4.1	0.1
BlueBay Global Sovereign Bond Fund (Canada)	4.2	0.1	4.1	0.1



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Equity Underlying Fund	3.8	0.1	4.1	–
Phillips, Hager & North Canadian Equity Value Fund	2.7	0.1	3.0	0.1
Phillips, Hager & North Conservative Equity Income Fund	4.2	0.1	4.4	0.1
Phillips, Hager & North Total Return Bond Fund	9.3	–	9.0	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.2	–	3.5	–
RBC Asia Pacific ex-Japan Equity Fund	0.5	–	0.5	–
RBC Bond Fund	9.4	–	9.0	–
RBC Canadian Short-Term Income Fund	13.6	0.1	12.5	0.1
RBC Emerging Markets Equity Fund	1.6	–	2.0	–
RBC European Equity Fund	1.5	–	1.5	–
RBC Global Bond Fund	4.2	–	4.1	–
RBC Global Corporate Bond Fund	4.2	–	4.1	–
RBC Global Dividend Growth Fund	7.9	0.1	7.7	0.1
RBC Global Equity Focus Fund	5.2	0.1	5.5	–
RBC Global High Yield Bond Fund	5.0	0.1	5.0	–
RBC Private Canadian Mid-Cap Equity Pool	1.2	0.2	1.5	0.2
RBC QUBE Low Volatility Canadian Equity Fund	4.2	0.1	4.4	0.1
RBC QUBE Low Volatility Global Equity Fund	5.0	0.2	5.0	0.1
RBC U.S. Equity Value Fund	1.4	1.1	2.1	1.1
RBC U.S. Mid-Cap Value Equity Fund	2.2	0.1	2.3	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 378	55
Issued number of units	1 378	1 507
Reinvested number of units	60	30
Redeemed number of units	(361)	(214)
Ending number of units	2 455	1 378
Advisor Series		
Opening units	14	–
Issued number of units	–	14
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	14	14
Series T5		
Opening units	13	–
Issued number of units	12	13
Reinvested number of units	–	–
Redeemed number of units	(17)	–
Ending number of units	8	13
Series F		
Opening units	1 026	–
Issued number of units	337	1 037
Reinvested number of units	41	27
Redeemed number of units	(119)	(38)
Ending number of units	1 285	1 026
Series FT5		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2025 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
131 784	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	\$ 1 349	\$ 1 294	
129 545	BlueBay Global Sovereign Bond Fund (Canada)*	1 308	1 304	
167 847	Phillips, Hager & North Canadian Equity Underlying Fund*	1 985	1 748	
105 482	Phillips, Hager & North Canadian Equity Value Fund*	1 502	1 364	
10 025	Phillips, Hager & North Canadian Growth Fund*	379	342	
148 941	Phillips, Hager & North Conservative Equity Income Fund*	1 812	1 659	
259 558	Phillips, Hager & North Total Return Bond Fund*	2 914	2 874	
107 171	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	1 908	1 720	
21 252	RBC Asia Pacific ex-Japan Equity Fund*	266	246	
426 506	RBC Bond Fund*	2 915	2 869	
264 712	RBC Canadian Short-Term Income Fund*	2 800	2 775	
67 304	RBC Emerging Markets Equity Fund*	1 143	1 121	
35 134	RBC European Equity Fund*	812	710	
119 680	RBC Global Bond Fund*	1 315	1 312	
136 281	RBC Global Corporate Bond Fund*	1 340	1 297	
196 015	RBC Global Dividend Growth Fund*	2 883	2 847	
151 822	RBC Global Equity Focus Fund*	2 423	2 371	
181 265	RBC Global High Yield Bond Fund*	1 955	1 827	
10 415	RBC Japanese Equity Fund*	132	120	
36 872	RBC Private Canadian Mid-Cap Equity Pool*	941	828	
120 685	RBC QUBE Low Volatility Canadian Equity Fund*	1 756	1 585	
95 816	RBC QUBE Low Volatility Global Equity Fund*	1 778	1 782	
77 998	RBC U.S. Equity Value Fund*	1 130	1 138	
96 571	RBC U.S. Mid-Cap Value Equity Fund*	1 326	1 116	
TOTAL UNDERLYING FUNDS		38 072	36 249	99.7
SHORT-TERM INVESTMENTS[†]		167	167	0.5
TOTAL INVESTMENTS		\$ 38 239	36 416	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(60)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 36 356	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 36 416	\$ 19 716
Subscriptions receivable	60	48
TOTAL ASSETS	36 476	19 764
LIABILITIES		
Redemptions payable	65	36
Accounts payable and accrued expenses	55	31
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	120	67
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 36 356	\$ 19 697
Investments at cost	\$ 38 239	\$ 19 454
NAV		
SERIES A	\$ 28 026	\$ 16 841
ADVISOR SERIES	\$ 68	\$ 69
SERIES F	\$ 8 261	\$ 2 786
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.87	\$ 10.43
ADVISOR SERIES	\$ 9.87	\$ 10.44
SERIES F	\$ 9.75	\$ 10.32
SERIES O	\$ 9.68	\$ 10.24

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 4	\$ 1
Income from investment trusts	1 477	706
Net realized gain (loss) on investments	10	35
Change in unrealized gain (loss) on investments	(2 085)	268
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(594)	1 010
TOTAL INCOME (LOSS)	(594)	1 010
EXPENSES (see notes – Fund Specific Information)		
Management fees	482	199
Administration fees	14	5
Independent Review Committee costs	2	3
GST/HST	52	19
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	549	223
INCREASE (DECREASE) IN NAV	\$ (1 143)	\$ 787
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (917)	\$ 698
ADVISOR SERIES	\$ (2)	\$ –
SERIES F	\$ (224)	\$ 83
SERIES O	\$ –	\$ 6
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.40)	\$ 0.71
ADVISOR SERIES	\$ (0.33)	\$ 0.24
SERIES F	\$ (0.40)	\$ 0.54
SERIES O	\$ (0.11)	\$ 1.49



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 143)	\$ 787
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 477)	(706)
Net realized loss (gain) on investments	(10)	(35)
Change in unrealized loss (gain) on investments	2 085	(268)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	24	31
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(87 744)	(81 382)
Proceeds from sale and maturity of investments	70 446	63 054
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(17 819)	(18 519)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	21 562	20 544
Cash paid on redemption of redeemable units	(3 740)	(2 044)
Distributions paid to holders of redeemable units	(3)	(4)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 17 819	\$ 18 496
Net increase (decrease) in cash for the period	—	(23)
Cash (bank overdraft), beginning of period	—	23
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ —
Interest received (paid)	\$ 4	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 16 841	\$ 251	\$ 69	\$ 1	\$ 2 786	\$ 1
INCREASE (DECREASE) IN NAV	(917)	698	(2)	—	(224)	83
Early redemption fees	1	—	—	—	—	—
Proceeds from redeemable units issued	16 848	17 534	3	70	6 482	3 251
Reinvestments of distributions to holders of redeemable units	648	443	—	—	284	106
Redemption of redeemable units	(4 747)	(1 642)	—	—	(782)	(547)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	12 750	16 335	3	70	5 984	2 810
Distributions from net income	(199)	(133)	(1)	(1)	(152)	(54)
Distributions from net gains	(449)	(310)	(1)	(1)	(133)	(54)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(648)	(443)	(2)	(2)	(285)	(108)
NET INCREASE (DECREASE) IN NAV	11 185	16 590	(1)	68	5 475	2 785
NAV AT END OF PERIOD	\$ 28 026	\$ 16 841	\$ 68	\$ 69	\$ 8 261	\$ 2 786

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 149	\$ 19 697	\$ 402
INCREASE (DECREASE) IN NAV	—	6	(1 143)	787
Early redemption fees	—	—	1	—
Proceeds from redeemable units issued	—	—	23 333	20 855
Reinvestments of distributions to holders of redeemable units	—	—	932	549
Redemption of redeemable units	—	(154)	(5 529)	(2 343)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(154)	18 737	19 061
Distributions from net income	—	—	(352)	(188)
Distributions from net gains	—	—	(583)	(365)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(935)	(553)
NET INCREASE (DECREASE) IN NAV	—	(148)	16 659	19 295
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 36 356	\$ 19 697

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2025. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 44.2% (December 31, 2017 – 39.7%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	22.4	24.6
AA	27.6	23.7
A	15.7	17.3
BBB	22.3	21.4
BB	5.7	6.7
B	4.9	5.1
CCC	0.4	0.4
D	0.1	0.1
Unrated	0.9	0.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	47.3	39.8
International Equity Funds	25.3	26.0
Canadian Equity Funds	16.2	22.0
United States Equity Funds	10.9	11.8
Cash/Other	0.3	0.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 42.8% (December 31, 2017 – 39.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	5.2	4.5
1 – 5 years	44.1	42.3
5 – 10 years	26.4	28.2
> 10 years	24.3	25.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 2.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	23.4	24.7
Euro	2.7	2.8
Pound sterling	2.2	2.5
Japanese yen	1.7	1.9
Swiss franc	1.3	1.1
Hong Kong dollar	1.2	1.0
South African rand	0.9	0.8
Brazilian real	0.7	–
Indian rupee	0.6	0.5
Indonesian rupiah	0.5	–
South Korean won	–	0.5
Other currencies	4.6	2.6
Total	39.8	38.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.0% (December 31, 2017 – 1.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	36 249	–	–	36 249
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	167	–	167
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	36 249	167	–	36 416
% of total portfolio	99.5	0.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	19 614	–	–	19 614
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	102	–	102
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	19 614	102	–	19 716
% of total portfolio	99.5	0.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	105
Advisor Series	107	105
Series F	111	107
Series O	110	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Investment				
Grade Corporate Bond				
Fund (Canada)	3.6	0.1	3.5	–
BlueBay Global Sovereign				
Bond Fund (Canada)	3.6	0.1	3.4	0.1
Phillips, Hager & North				
Canadian Equity				
Underlying Fund	4.8	0.1	5.5	–
Phillips, Hager & North				
Canadian Equity				
Value Fund	3.8	0.1	3.9	0.1
Phillips, Hager & North				
Canadian Growth Fund	0.9	0.1	1.1	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Conservative Equity Income Fund	4.6	0.1	4.5	0.1
Phillips, Hager & North Total Return Bond Fund	7.9	–	7.3	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.7	–	5.2	–
RBC Asia Pacific ex-Japan Equity Fund	0.7	–	0.7	–
RBC Bond Fund	7.9	–	7.3	–
RBC Canadian Short-Term Income Fund	7.6	–	6.5	–
RBC Emerging Markets Dividend Fund	–	–	0.1	–
RBC Emerging Markets Equity Fund	3.1	–	3.2	–
RBC European Equity Fund	2.0	–	2.2	–
RBC Global Bond Fund	3.6	–	3.4	–
RBC Global Corporate Bond Fund	3.6	–	3.4	–
RBC Global Dividend Growth Fund	7.8	0.1	8.0	0.1
RBC Global Equity Focus Fund	6.5	0.1	6.4	–
RBC Global High Yield Bond Fund	5.0	0.1	5.0	–
RBC Japanese Equity Fund	0.3	–	0.4	–
RBC Private Canadian Mid-Cap Equity Pool	2.3	0.4	2.6	0.2
RBC QUBE Low Volatility Canadian Equity Fund	4.4	0.1	4.5	–
RBC QUBE Low Volatility Global Equity Fund	4.9	0.1	5.0	0.1
RBC U.S. Equity Value Fund	3.1	2.3	3.1	1.3
RBC U.S. Mid-Cap Value Equity Fund	3.1	0.2	3.5	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 615	25
Issued number of units	1 614	1 705
Reinvested number of units	67	42
Redeemed number of units	(457)	(157)
Ending number of units	2 839	1 615
Advisor Series		
Opening units	7	–
Issued number of units	–	7
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	7	7
Series F		
Opening units	270	–
Issued number of units	623	313
Reinvested number of units	30	10
Redeemed number of units	(76)	(53)
Ending number of units	847	270
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2030 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
50 843	BlueBay European High Yield Bond Fund (Canada)*	\$ 521	\$ 486	
148 552	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	1 520	1 458	
145 711	BlueBay Global Sovereign Bond Fund (Canada)*	1 470	1 467	
276 445	Phillips, Hager & North Canadian Equity Underlying Fund*	3 258	2 879	
120 508	Phillips, Hager & North Canadian Equity Value Fund*	1 718	1 559	
37 755	Phillips, Hager & North Canadian Growth Fund*	1 418	1 286	
185 537	Phillips, Hager & North Conservative Equity Income Fund*	2 259	2 067	
286 296	Phillips, Hager & North Total Return Bond Fund*	3 214	3 170	
173 988	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	3 092	2 792	
33 188	RBC Asia Pacific ex-Japan Equity Fund*	417	385	
471 415	RBC Bond Fund*	3 221	3 171	
162 136	RBC Canadian Short-Term Income Fund*	1 719	1 700	
9 888	RBC Emerging Markets Dividend Fund*	133	122	
94 585	RBC Emerging Markets Equity Fund*	1 606	1 575	
54 948	RBC European Equity Fund*	1 267	1 110	
134 290	RBC Global Bond Fund*	1 476	1 472	
153 399	RBC Global Corporate Bond Fund*	1 508	1 460	
266 561	RBC Global Dividend Growth Fund*	3 914	3 872	
255 143	RBC Global Equity Focus Fund*	4 030	3 985	
238 542	RBC Global High Yield Bond Fund*	2 572	2 404	
15 082	RBC Japanese Equity Fund*	191	173	
63 423	RBC Private Canadian Mid-Cap Equity Pool*	1 606	1 424	
156 192	RBC QUBE Low Volatility Canadian Equity Fund*	2 269	2 052	
126 356	RBC QUBE Low Volatility Global Equity Fund*	2 347	2 350	
103 539	RBC U.S. Equity Value Fund*	1 504	1 510	
159 249	RBC U.S. Mid-Cap Value Equity Fund*	2 171	1 840	
TOTAL UNDERLYING FUNDS		50 421	47 769	99.6
SHORT-TERM INVESTMENTS†		354	354	0.7
TOTAL INVESTMENTS		<u>\$ 50 775</u>	<u>48 123</u>	100.3
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(145)	(0.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 47 978</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 48 123	\$ 27 611
Subscriptions receivable	58	27
TOTAL ASSETS	48 181	27 638
LIABILITIES		
Due to investment dealers	115	80
Redemptions payable	14	7
Accounts payable and accrued expenses	74	42
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF		
REDEEMABLE UNITS	203	129
NET ASSETS ATTRIBUTABLE TO HOLDERS		
OF REDEEMABLE UNITS ("NAV")	\$ 47 978	\$ 27 509
Investments at cost	\$ 50 775	\$ 27 150
NAV		
SERIES A	\$ 39 773	\$ 22 615
ADVISOR SERIES	\$ 19	\$ 19
SERIES F	\$ 8 185	\$ 4 874
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.92	\$ 10.56
ADVISOR SERIES	\$ 9.91	\$ 10.56
SERIES F	\$ 9.81	\$ 10.45
SERIES O	\$ 9.73	\$ 10.37

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 5	\$ 2
Income from investment trusts	2 089	1 015
Net realized gain (loss) on investments	30	3
Change in unrealized gain (loss) on investments	(3 113)	471
TOTAL NET GAIN (LOSS) ON		
INVESTMENTS AND DERIVATIVES	(989)	1 491
TOTAL INCOME (LOSS)	(989)	1 491
EXPENSES (see notes – Fund Specific Information)		
Management fees	640	270
Administration fees	21	9
Independent Review Committee costs	2	3
GST/HST	67	25
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	729	304
INCREASE (DECREASE) IN NAV	\$ (1 718)	\$ 1 187
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 458)	\$ 979
ADVISOR SERIES	\$ –	\$ 1
SERIES F	\$ (260)	\$ 201
SERIES O	\$ –	\$ 6
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.47)	\$ 0.74
ADVISOR SERIES	\$ (0.36)	\$ 0.70
SERIES F	\$ (0.43)	\$ 0.92
SERIES O	\$ (0.15)	\$ 1.51



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 718)	\$ 1 187
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(2 089)	(1 015)
Net realized loss (gain) on investments	(30)	(3)
Change in unrealized loss (gain) on investments	3 113	(471)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	32	42
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(113 693)	(113 267)
Proceeds from sale and maturity of investments	92 222	88 030
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(22 163)	(25 497)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	26 128	26 742
Cash paid on redemption of redeemable units	(3 902)	(1 185)
Distributions paid to holders of redeemable units	(63)	(60)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 22 163	\$ 25 497
Net increase (decrease) in cash for the period	—	—
Cash (bank overdraft), beginning of period	—	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ —
Interest received (paid)	\$ 5	\$ 2
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 22 615	\$ 670	\$ 19	\$ 9	\$ 4 874	\$ 1
INCREASE (DECREASE) IN NAV	(1 458)	979	—	1	(260)	201
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	23 738	22 613	—	10	3 893	4 751
Reinvestments of distributions to holders of redeemable units	1 046	574	—	—	246	123
Redemption of redeemable units	(5 122)	(1 647)	—	(1)	(259)	(19)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	19 662	21 540	—	9	3 880	4 855
Distributions from net income	(306)	(174)	—	—	(154)	(93)
Distributions from net gains	(740)	(400)	—	—	(155)	(90)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 046)	(574)	—	—	(309)	(183)
NET INCREASE (DECREASE) IN NAV	17 158	21 945	—	10	3 311	4 873
NAV AT END OF PERIOD	\$ 39 773	\$ 22 615	\$ 19	\$ 19	\$ 8 185	\$ 4 874

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 150	\$ 27 509	\$ 830
INCREASE (DECREASE) IN NAV	—	6	(1 718)	1 187
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	27 631	27 374
Reinvestments of distributions to holders of redeemable units	—	—	1 292	697
Redemption of redeemable units	—	(155)	(5 381)	(1 822)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(155)	23 542	26 249
Distributions from net income	—	—	(460)	(267)
Distributions from net gains	—	—	(895)	(490)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(1 355)	(757)
NET INCREASE (DECREASE) IN NAV	—	(149)	20 469	26 679
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 47 978	\$ 27 509

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2030. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 37.5% (December 31, 2017 – 34.6%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	20.8	23.4
AA	24.8	21.5
A	15.0	16.6
BBB	22.6	21.4
BB	7.7	8.5
B	7.0	6.9
CCC	0.7	0.5
D	0.1	0.1
Unrated	1.3	1.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	39.3	34.6
International Equity Funds	28.4	28.3
Canadian Equity Funds	19.2	23.9
United States Equity Funds	12.7	12.8
Cash/Other	0.4	0.4
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 35.0% (December 31, 2017 – 34.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.7	4.0
1 – 5 years	39.5	39.2
5 – 10 years	30.0	30.6
> 10 years	25.8	26.2
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	26.7	26.6
Euro	3.1	3.1
Pound sterling	2.5	2.7
Japanese yen	1.8	2.0
Swiss franc	1.5	1.2
Hong Kong dollar	1.4	1.1
South African rand	1.0	0.9
Brazilian real	0.7	–
Indian rupee	0.7	0.6
New Taiwan dollar	0.5	–
Indonesian rupiah	0.5	–
South Korean won	–	0.5
Other currencies	4.0	2.6
Total	44.4	41.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	47 769	–	–	47 769
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	354	–	354
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	47 769	354	–	48 123
% of total portfolio	99.3	0.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	27 388	–	–	27 388
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	223	–	223
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	27 388	223	–	27 611
% of total portfolio	99.2	0.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	104
Advisor Series	107	104
Series F	111	107
Series O	111	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	1.0	0.1	1.0	–
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0	0.1	3.0	–
BlueBay Global Sovereign Bond Fund (Canada)	3.1	0.1	3.0	0.1
Phillips, Hager & North Canadian Equity Underlying Fund	6.0	0.1	6.1	0.1
Phillips, Hager & North Canadian Equity Value Fund	3.2	0.1	3.2	0.1



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	2.7	0.2	3.0	0.1
Phillips, Hager & North Conservative Equity Income Fund	4.3	0.1	4.2	0.1
Phillips, Hager & North Total Return Bond Fund	6.6	–	6.6	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.8	0.1	5.9	–
RBC Asia Pacific ex-Japan Equity Fund	0.8	–	0.8	–
RBC Bond Fund	6.6	–	6.5	–
RBC Canadian Short-Term Income Fund	3.5	–	3.5	–
RBC Emerging Markets Dividend Fund	0.3	–	0.3	–
RBC Emerging Markets Equity Fund	3.3	–	3.3	–
RBC European Equity Fund	2.3	–	2.3	–
RBC Global Bond Fund	3.1	–	3.0	–
RBC Global Corporate Bond Fund	3.0	–	3.0	–
RBC Global Dividend Growth Fund	8.1	0.1	7.7	0.1
RBC Global Equity Focus Fund	8.3	0.1	8.5	0.1
RBC Global High Yield Bond Fund	5.0	0.1	5.0	–
RBC Japanese Equity Fund	0.4	–	0.4	–
RBC Private Canadian Mid-Cap Equity Pool	3.0	0.8	3.1	0.4
RBC QUBE Low Volatility Canadian Equity Fund	4.3	0.1	4.3	0.1
RBC QUBE Low Volatility Global Equity Fund	4.9	0.2	4.9	0.1
RBC U.S. Equity Value Fund	3.1	3.1	3.0	1.8
RBC U.S. Mid-Cap Value Equity Fund	3.8	0.3	3.9	0.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 141	67
Issued number of units	2 243	2 178
Reinvested number of units	108	54
Redeemed number of units	(482)	(158)
Ending number of units	4 010	2 141
Advisor Series		
Opening units	2	1
Issued number of units	–	1
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	2	2
Series F		
Opening units	467	–
Issued number of units	366	457
Reinvested number of units	26	12
Redeemed number of units	(24)	(2)
Ending number of units	835	467
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2035 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
76 698	BlueBay European High Yield Bond Fund (Canada)*	\$ 787	\$ 733	
112 839	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	1 155	1 108	
110 749	BlueBay Global Sovereign Bond Fund (Canada)*	1 118	1 115	
224 607	Phillips, Hager & North Canadian Equity Underlying Fund*	2 652	2 339	
77 567	Phillips, Hager & North Canadian Equity Value Fund*	1 103	1 003	
40 245	Phillips, Hager & North Canadian Growth Fund*	1 506	1 371	
126 829	Phillips, Hager & North Conservative Equity Income Fund*	1 544	1 413	
218 729	Phillips, Hager & North Total Return Bond Fund*	2 458	2 422	
146 819	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	2 592	2 356	
26 899	RBC Asia Pacific ex-Japan Equity Fund*	338	312	
359 679	RBC Bond Fund*	2 460	2 419	
87 816	RBC Canadian Short-Term Income Fund*	928	921	
5 812	RBC Emerging Markets Dividend Fund*	77	71	
76 473	RBC Emerging Markets Equity Fund*	1 298	1 273	
4 665	RBC Emerging Markets Small-Cap Equity Fund*	66	64	
45 257	RBC European Equity Fund*	1 044	914	
102 214	RBC Global Bond Fund*	1 125	1 120	
116 269	RBC Global Corporate Bond Fund*	1 144	1 106	
170 294	RBC Global Dividend Growth Fund*	2 491	2 474	
213 123	RBC Global Equity Focus Fund*	3 362	3 329	
181 704	RBC Global High Yield Bond Fund*	1 962	1 831	
12 557	RBC Japanese Equity Fund*	159	144	
52 673	RBC Private Canadian Mid-Cap Equity Pool*	1 333	1 183	
109 429	RBC QUBE Low Volatility Canadian Equity Fund*	1 587	1 438	
99 393	RBC QUBE Low Volatility Global Equity Fund*	1 840	1 849	
72 366	RBC U.S. Equity Value Fund*	1 049	1 056	
131 614	RBC U.S. Mid-Cap Value Equity Fund*	1 794	1 521	
TOTAL UNDERLYING FUNDS		38 972	36 885	99.5
SHORT-TERM INVESTMENTS†		337	337	0.9
TOTAL INVESTMENTS		<u>\$ 39 309</u>	<u>37 222</u>	<u>100.4</u>
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(137)	(0.4)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 37 085</u>	<u>100.0</u>

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 37 222	\$ 21 118
Cash	2	1
Subscriptions receivable	76	84
TOTAL ASSETS	37 300	21 203
LIABILITIES		
Due to investment dealers	150	89
Redemptions payable	4	1
Accounts payable and accrued expenses	61	33
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	215	123
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 37 085	\$ 21 080
Investments at cost	\$ 39 309	\$ 20 775
NAV		
SERIES A	\$ 34 030	\$ 19 259
ADVISOR SERIES	\$ 1	\$ 1
SERIES F	\$ 3 053	\$ 1 819
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.77	\$ 10.42
ADVISOR SERIES	\$ 9.78	\$ 10.43
SERIES F	\$ 9.67	\$ 10.32
SERIES O	\$ 9.58	\$ 10.23

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 4	\$ 1
Income from investment trusts	1 656	779
Net realized gain (loss) on investments	(8)	–
Change in unrealized gain (loss) on investments	(2 430)	377
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(778)	1 157
TOTAL INCOME (LOSS)	(778)	1 157
EXPENSES (see notes – Fund Specific Information)		
Management fees	529	217
Administration fees	18	5
Independent Review Committee costs	2	3
GST/HST	54	19
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	602	241
INCREASE (DECREASE) IN NAV	\$ (1 380)	\$ 916
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 314)	\$ 853
ADVISOR SERIES	\$ –	\$ –
SERIES F	\$ (66)	\$ 56
SERIES O	\$ –	\$ 7
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.49)	\$ 0.75
ADVISOR SERIES	\$ (0.35)	\$ 0.86
SERIES F	\$ (0.24)	\$ 0.89
SERIES O	\$ (0.16)	\$ 1.53



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 380)	\$ 916
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 656)	(779)
Net realized loss (gain) on investments	8	—
Change in unrealized loss (gain) on investments	2 430	(377)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	28	31
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(88 504)	(80 445)
Proceeds from sale and maturity of investments	71 679	62 158
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(17 395)	(18 496)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	21 263	19 560
Cash paid on redemption of redeemable units	(3 864)	(1 126)
Distributions paid to holders of redeemable units	(3)	(1)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 17 396	\$ 18 433
Net increase (decrease) in cash for the period	1	(63)
Cash (bank overdraft), beginning of period	1	64
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2	\$ 1
Interest received (paid)	\$ 4	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 259	\$ 1 499	\$ 1	\$ 1	\$ 1 819	\$ 1
INCREASE (DECREASE) IN NAV	(1 314)	853	—	—	(66)	56
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	20 489	18 358	—	—	1 552	1 778
Reinvestments of distributions to holders of redeemable units	906	501	—	—	114	68
Redemption of redeemable units	(4 404)	(1 451)	—	—	(249)	(15)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	16 991	17 408	—	—	1 417	1 831
Distributions from net income	(275)	(158)	—	—	(59)	(36)
Distributions from net gains	(631)	(343)	—	—	(58)	(33)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(906)	(501)	—	—	(117)	(69)
NET INCREASE (DECREASE) IN NAV	14 771	17 760	—	—	1 234	1 818
NAV AT END OF PERIOD	\$ 34 030	\$ 19 259	\$ 1	\$ 1	\$ 3 053	\$ 1 819

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 149	\$ 21 080	\$ 1 650
INCREASE (DECREASE) IN NAV	—	7	(1 380)	916
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	22 041	20 136
Reinvestments of distributions to holders of redeemable units	—	—	1 020	569
Redemption of redeemable units	—	(155)	(4 653)	(1 621)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(155)	18 408	19 084
Distributions from net income	—	—	(334)	(194)
Distributions from net gains	—	—	(689)	(376)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(1 023)	(570)
NET INCREASE (DECREASE) IN NAV	—	(148)	16 005	19 430
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 37 085	\$ 21 080

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2035. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 35.6% (December 31, 2017 – 34.4%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	19.9	21.6
AA	23.6	19.1
A	14.6	15.6
BBB	22.3	21.1
BB	8.7	10.7
B	8.2	9.4
CCC	0.9	0.7
D	0.1	0.1
Unrated	1.7	1.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	38.2	34.5
International Equity Funds	28.2	27.8
Canadian Equity Funds	19.8	23.6
United States Equity Funds	13.3	13.3
Cash/Other	0.5	0.8
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 34.5% (December 31, 2017 – 34.5%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.6	3.8
1 – 5 years	37.6	36.1
5 – 10 years	31.6	33.1
> 10 years	26.2	27.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	26.8	26.8
Euro	3.1	3.0
Pound sterling	2.5	2.6
Japanese yen	1.9	1.9
Hong Kong dollar	1.4	1.2
Swiss franc	1.4	1.2
South African rand	1.0	0.9
Indian rupee	0.8	0.6
Brazilian real	0.7	–
New Taiwan dollar	0.5	–
Indonesian rupiah	0.5	–
South Korean won	–	0.6
Other currencies	3.9	2.6
Total	44.5	41.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	36 885	–	–	36 885
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	337	–	337
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	36 885	337	–	37 222
% of total portfolio	99.1	0.9	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	20 911	–	–	20 911
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	207	–	207
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	20 911	207	–	21 118
% of total portfolio	99.0	1.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	108	105
Advisor Series	109	105
Series F	112	108
Series O	111	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	2.0	0.1	3.0	0.1
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0	0.1	3.0	–
BlueBay Global Sovereign Bond Fund (Canada)	3.0	0.1	3.0	0.1
Phillips, Hager & North Canadian Equity Underlying Fund	6.3	0.1	6.4	0.1
Phillips, Hager & North Canadian Equity Value Fund	2.7	0.1	2.6	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	3.7	0.2	3.9	0.1
Phillips, Hager & North Conservative Equity Income Fund	3.8	0.1	3.8	–
Phillips, Hager & North Total Return Bond Fund	6.5	–	6.5	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.4	–	6.3	–
RBC Asia Pacific ex-Japan Equity Fund	0.8	–	0.8	–
RBC Bond Fund	6.5	–	6.5	–
RBC Canadian Short-Term Income Fund	2.5	–	1.5	–
RBC Emerging Markets Dividend Fund	0.2	–	0.2	–
RBC Emerging Markets Equity Fund	3.4	–	3.4	–
RBC Emerging Markets Small-Cap Equity Fund	0.2	–	0.2	–
RBC European Equity Fund	2.5	–	2.5	–
RBC Global Bond Fund	3.0	–	3.0	–
RBC Global Corporate Bond Fund	3.0	–	3.0	–
RBC Global Dividend Growth Fund	6.7	0.1	6.3	–
RBC Global Equity Focus Fund	9.0	0.1	9.0	0.1
RBC Global High Yield Bond Fund	4.9	0.1	5.0	–
RBC Japanese Equity Fund	0.4	–	0.4	–
RBC Private Canadian Mid-Cap Equity Pool	3.2	0.6	3.2	0.3
RBC QUBE Low Volatility Canadian Equity Fund	3.9	0.1	3.7	–
RBC QUBE Low Volatility Global Equity Fund	5.0	0.2	5.0	0.1
RBC U.S. Equity Value Fund	2.8	2.2	2.8	1.2
RBC U.S. Mid-Cap Value Equity Fund	4.1	0.3	4.2	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 848	152
Issued number of units	1 963	1 787
Reinvested number of units	95	48
Redeemed number of units	(424)	(139)
Ending number of units	3 482	1 848
Advisor Series		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–

Series F		
Opening units	176	–
Issued number of units	152	170
Reinvested number of units	12	7
Redeemed number of units	(24)	(1)
Ending number of units	316	176

Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2040 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
133 106	BlueBay European High Yield Bond Fund (Canada)*	\$ 1 366	\$ 1 272	
97 840	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	1 000	960	
95 002	BlueBay Global Sovereign Bond Fund (Canada)*	959	956	
208 508	Phillips, Hager & North Canadian Equity Underlying Fund*	2 456	2 171	
50 134	Phillips, Hager & North Canadian Equity Value Fund*	712	648	
44 487	Phillips, Hager & North Canadian Growth Fund*	1 672	1 515	
97 909	Phillips, Hager & North Conservative Equity Income Fund*	1 190	1 091	
186 840	Phillips, Hager & North Total Return Bond Fund*	2 095	2 070	
136 581	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	2 424	2 192	
24 162	RBC Asia Pacific ex-Japan Equity Fund*	307	280	
307 629	RBC Bond Fund*	2 100	2 070	
14 969	RBC Canadian Short-Term Income Fund*	158	157	
6 323	RBC Emerging Markets Dividend Fund*	85	78	
66 453	RBC Emerging Markets Equity Fund*	1 143	1 106	
5 549	RBC Emerging Markets Small-Cap Equity Fund*	79	76	
42 026	RBC European Equity Fund*	969	849	
87 694	RBC Global Bond Fund*	963	961	
100 151	RBC Global Corporate Bond Fund*	984	954	
112 350	RBC Global Dividend Growth Fund*	1 667	1 632	
195 223	RBC Global Equity Focus Fund*	3 142	3 049	
157 909	RBC Global High Yield Bond Fund*	1 698	1 591	
12 064	RBC Japanese Equity Fund*	154	138	
48 761	RBC Private Canadian Mid-Cap Equity Pool*	1 236	1 095	
82 280	RBC QUBE Low Volatility Canadian Equity Fund*	1 188	1 081	
85 633	RBC QUBE Low Volatility Global Equity Fund*	1 594	1 593	
56 296	RBC U.S. Equity Value Fund*	830	821	
124 411	RBC U.S. Mid-Cap Value Equity Fund*	1 673	1 438	
TOTAL UNDERLYING FUNDS		33 844	31 844	99.5
SHORT-TERM INVESTMENTS†		284	284	0.9
TOTAL INVESTMENTS		\$ 34 128	32 128	100.4
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(120)	(0.4)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 32 008	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 32 128	\$ 14 951
Cash	–	1
Subscriptions receivable	91	64
TOTAL ASSETS	32 219	15 016
LIABILITIES		
Due to investment dealers	120	117
Redemptions payable	38	3
Accounts payable and accrued expenses	53	25
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	211	145
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 32 008	\$ 14 871
Investments at cost	\$ 34 128	\$ 14 731
NAV		
SERIES A	\$ 30 096	\$ 13 987
ADVISOR SERIES	\$ 1	\$ 1
SERIES F	\$ 1 910	\$ 882
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.80	\$ 10.49
ADVISOR SERIES	\$ 9.81	\$ 10.50
SERIES F	\$ 9.68	\$ 10.38
SERIES O	\$ 9.61	\$ 10.30

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 4	\$ 1
Income from investment trusts	1 439	547
Net realized gain (loss) on investments	19	5
Change in unrealized gain (loss) on investments	(2 220)	227
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(758)	780
TOTAL INCOME (LOSS)	(758)	780
EXPENSES (see notes – Fund Specific Information)		
Management fees	435	142
Administration fees	12	5
Independent Review Committee costs	2	3
GST/HST	46	16
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	494	163
INCREASE (DECREASE) IN NAV	\$ (1 252)	\$ 617
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 208)	\$ 553
ADVISOR SERIES	\$ –	\$ –
SERIES F	\$ (44)	\$ 58
SERIES O	\$ –	\$ 6
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.54)	\$ 0.77
ADVISOR SERIES	\$ (0.37)	\$ 0.86
SERIES F	\$ (0.35)	\$ 0.95
SERIES O	\$ (0.18)	\$ 1.51



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 252)	\$ 617
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 439)	(547)
Net realized loss (gain) on investments	(19)	(5)
Change in unrealized loss (gain) on investments	2 220	(227)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	28	25
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(84 242)	(56 620)
Proceeds from sale and maturity of investments	66 306	42 945
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(18 398)	(13 812)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	20 971	14 736
Cash paid on redemption of redeemable units	(2 566)	(933)
Distributions paid to holders of redeemable units	(8)	(9)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 18 397	\$ 13 794
Net increase (decrease) in cash for the period	(1)	(18)
Cash (bank overdraft), beginning of period	1	19
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ 4	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 13 987	\$ 472	\$ 1	\$ 1	\$ 882	\$ 1
INCREASE (DECREASE) IN NAV	(1 208)	553	—	—	(44)	58
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	19 970	14 014	—	—	1 344	836
Reinvestments of distributions to holders of redeemable units	866	379	—	—	60	27
Redemption of redeemable units	(2 653)	(1 052)	—	—	(264)	(4)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	18 183	13 341	—	—	1 140	859
Distributions from net income	(265)	(122)	—	—	(34)	(19)
Distributions from net gains	(601)	(257)	—	—	(34)	(17)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(866)	(379)	—	—	(68)	(36)
NET INCREASE (DECREASE) IN NAV	16 109	13 515	—	—	1 028	881
NAV AT END OF PERIOD	\$ 30 096	\$ 13 987	\$ 1	\$ 1	\$ 1 910	\$ 882

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 150	\$ 14 871	\$ 624
INCREASE (DECREASE) IN NAV	—	6	(1 252)	617
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	21 314	14 850
Reinvestments of distributions to holders of redeemable units	—	—	926	406
Redemption of redeemable units	—	(155)	(2 917)	(1 211)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(155)	19 323	14 045
Distributions from net income	—	—	(299)	(141)
Distributions from net gains	—	—	(635)	(274)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(934)	(415)
NET INCREASE (DECREASE) IN NAV	—	(149)	17 137	14 247
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 32 008	\$ 14 871

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2040. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 37.3% (December 31, 2017 – 34.5%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	18.2	20.7
AA	20.9	18.0
A	13.7	15.1
BBB	21.7	20.8
BB	10.8	11.7
B	10.8	10.7
CCC	1.4	0.8
D	0.1	0.1
Unrated	2.4	2.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	38.2	34.6
International Equity Funds	28.2	27.9
Canadian Equity Funds	19.8	23.6
United States Equity Funds	13.3	13.2
Cash/Other	0.5	0.7
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 34.3% (December 31, 2017 – 34.6%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.3	3.6
1 – 5 years	34.2	34.5
5 – 10 years	34.8	34.4
> 10 years	26.7	27.5
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	26.8	26.4
Euro	3.1	3.1
Pound sterling	2.4	2.7
Japanese yen	1.8	1.9
Hong Kong dollar	1.4	1.2
Swiss franc	1.4	1.2
South African rand	1.0	0.9
Indian rupee	0.8	0.7
Brazilian real	0.7	–
New Taiwan dollar	0.5	0.5
Indonesian rupiah	0.5	–
South Korean won	–	0.6
Other currencies	3.9	2.3
Total	44.3	41.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	31 844	–	–	31 844
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	284	–	284
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	31 844	284	–	32 128
% of total portfolio	99.1	0.9	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	14 763	–	–	14 763
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	188	–	188
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	14 763	188	–	14 951
% of total portfolio	98.7	1.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	108	105
Advisor Series	108	105
Series F	112	107
Series O	110	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	4.0	0.2	4.0	0.1
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0	–	3.0	–
BlueBay Global Sovereign Bond Fund (Canada)	3.0	0.1	3.0	–
Phillips, Hager & North Canadian Equity Underlying Fund	6.8	0.1	6.8	–
Phillips, Hager & North Canadian Equity Value Fund	2.0	–	1.9	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	4.7	0.2	4.9	0.1
Phillips, Hager & North Conservative Equity Income Fund	3.4	0.1	3.4	–
Phillips, Hager & North Total Return Bond Fund	6.5	–	6.4	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.8	–	6.7	–
RBC Asia Pacific ex-Japan Equity Fund	0.9	–	0.9	–
RBC Bond Fund	6.5	–	6.7	–
RBC Canadian Short-Term Income Fund	0.5	–	0.5	–
RBC Emerging Markets Dividend Fund	0.2	–	0.3	–
RBC Emerging Markets Equity Fund	3.5	–	3.6	–
RBC Emerging Markets Small-Cap Equity Fund	0.2	–	0.3	–
RBC European Equity Fund	2.7	–	2.8	–
RBC Global Bond Fund	3.0	–	3.0	–
RBC Global Corporate Bond Fund	3.0	–	3.0	–
RBC Global Dividend Growth Fund	5.1	0.1	5.2	–
RBC Global Equity Focus Fund	9.5	0.1	9.4	–
RBC Global High Yield Bond Fund	5.0	–	5.0	–
RBC Japanese Equity Fund	0.4	–	0.4	–
RBC Private Canadian Mid-Cap Equity Pool	3.4	0.6	3.4	0.2
RBC QUBE Low Volatility Canadian Equity Fund	3.4	0.1	3.2	–
RBC QUBE Low Volatility Global Equity Fund	5.0	0.1	5.0	0.1
RBC U.S. Equity Value Fund	2.6	1.7	2.0	0.6
RBC U.S. Mid-Cap Value Equity Fund	4.5	0.2	4.5	0.1

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 334	47
Issued number of units	1 901	1 352
Reinvested number of units	90	36
Redeemed number of units	(253)	(101)
Ending number of units	3 072	1 334
Advisor Series		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–
Series F		
Opening units	85	–
Issued number of units	131	82
Reinvested number of units	6	3
Redeemed number of units	(25)	–
Ending number of units	197	85
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2045 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
146 841	BlueBay European High Yield Bond Fund (Canada)*	\$ 1 508	\$ 1 403	
85 645	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	878	841	
84 253	BlueBay Global Sovereign Bond Fund (Canada)*	851	849	
188 396	Phillips, Hager & North Canadian Equity Underlying Fund*	2 217	1 962	
26 680	Phillips, Hager & North Canadian Equity Value Fund*	377	345	
47 549	Phillips, Hager & North Canadian Growth Fund*	1 782	1 620	
80 288	Phillips, Hager & North Conservative Equity Income Fund*	975	894	
165 192	Phillips, Hager & North Total Return Bond Fund*	1 852	1 829	
125 431	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	2 223	2 013	
25 244	RBC Asia Pacific ex-Japan Equity Fund*	322	292	
251 071	RBC Bond Fund*	1 714	1 689	
9 703	RBC Emerging Markets Dividend Fund*	132	119	
65 299	RBC Emerging Markets Equity Fund*	1 126	1 087	
8 571	RBC Emerging Markets Small-Cap Equity Fund*	122	118	
36 174	RBC European Equity Fund*	836	731	
16 290	RBC European Mid-Cap Equity Fund*	168	166	
77 671	RBC Global Bond Fund*	853	851	
88 760	RBC Global Corporate Bond Fund*	873	845	
87 635	RBC Global Dividend Growth Fund*	1 298	1 273	
180 921	RBC Global Equity Focus Fund*	2 906	2 826	
137 494	RBC Global High Yield Bond Fund*	1 483	1 386	
12 223	RBC Japanese Equity Fund*	157	140	
44 031	RBC Private Canadian Mid-Cap Equity Pool*	1 115	989	
51 787	RBC QUBE Low Volatility Canadian Equity Fund*	750	680	
75 684	RBC QUBE Low Volatility Global Equity Fund*	1 404	1 408	
27 650	RBC U.S. Equity Value Fund*	406	403	
115 723	RBC U.S. Mid-Cap Value Equity Fund*	1 552	1 337	
TOTAL UNDERLYING FUNDS		29 880	28 096	99.4
SHORT-TERM INVESTMENTS[†]		241	241	0.8
TOTAL INVESTMENTS		<u>\$ 30 121</u>	28 337	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(62)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 28 275</u>	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 28 337	\$ 13 331
Cash	–	1
Subscriptions receivable	79	55
TOTAL ASSETS	28 416	13 387
LIABILITIES		
Due to investment dealers	90	48
Redemptions payable	5	7
Accounts payable and accrued expenses	46	22
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	141	77
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 28 275	\$ 13 310
Investments at cost	\$ 30 121	\$ 13 129
NAV		
SERIES A	\$ 27 241	\$ 12 722
ADVISOR SERIES	\$ 1	\$ 1
SERIES F	\$ 1 032	\$ 586
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.87	\$ 10.58
ADVISOR SERIES	\$ 9.88	\$ 10.59
SERIES F	\$ 9.77	\$ 10.48
SERIES O	\$ 9.69	\$ 10.40

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 3	\$ 1
Income from investment trusts	1 295	487
Net realized gain (loss) on investments	5	8
Change in unrealized gain (loss) on investments	(1 986)	207
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(683)	703
TOTAL INCOME (LOSS)	(683)	703
EXPENSES (see notes – Fund Specific Information)		
Management fees	396	124
Administration fees	13	4
Independent Review Committee costs	2	3
GST/HST	38	13
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	447	141
INCREASE (DECREASE) IN NAV	\$ (1 130)	\$ 562
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 090)	\$ 527
ADVISOR SERIES	\$ –	\$ –
SERIES F	\$ (40)	\$ 29
SERIES O	\$ –	\$ 6
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.53)	\$ 0.82
ADVISOR SERIES	\$ (0.38)	\$ 0.90
SERIES F	\$ (0.54)	\$ 1.30
SERIES O	\$ (0.19)	\$ 1.61



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 130)	\$ 562
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 295)	(487)
Net realized loss (gain) on investments	(5)	(8)
Change in unrealized loss (gain) on investments	1 986	(207)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	24	22
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(73 896)	(47 466)
Proceeds from sale and maturity of investments	58 246	35 293
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(16 070)	(12 291)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	18 501	13 180
Cash paid on redemption of redeemable units	(2 432)	(887)
Distributions paid to holders of redeemable units	—	(2)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 16 069	\$ 12 291
Net increase (decrease) in cash for the period	(1)	—
Cash (bank overdraft), beginning of period	1	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ 3	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 12 722	\$ 263	\$ 1	\$ 1	\$ 586	\$ 1
INCREASE (DECREASE) IN NAV	(1 090)	527	—	—	(40)	29
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	18 391	12 741	—	—	546	560
Reinvestments of distributions to holders of redeemable units	792	354	—	—	42	21
Redemption of redeemable units	(2 782)	(809)	—	—	(60)	(2)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	16 401	12 286	—	—	528	579
Distributions from net income	(235)	(118)	—	—	(20)	(12)
Distributions from net gains	(557)	(236)	—	—	(22)	(11)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(792)	(354)	—	—	(42)	(23)
NET INCREASE (DECREASE) IN NAV	14 519	12 459	—	—	446	585
NAV AT END OF PERIOD	\$ 27 241	\$ 12 722	\$ 1	\$ 1	\$ 1 032	\$ 586

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 150	\$ 13 310	\$ 415
INCREASE (DECREASE) IN NAV	—	6	(1 130)	562
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	18 937	13 301
Reinvestments of distributions to holders of redeemable units	—	—	834	375
Redemption of redeemable units	—	(155)	(2 842)	(966)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(155)	16 929	12 710
Distributions from net income	—	—	(255)	(130)
Distributions from net gains	—	—	(579)	(247)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(834)	(377)
NET INCREASE (DECREASE) IN NAV	—	(149)	14 965	12 895
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 28 275	\$ 13 310

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2045. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 36.8% (December 31, 2017 – 34.4%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	17.6	20.2
AA	19.6	16.8
A	13.3	14.6
BBB	21.3	20.5
BB	11.8	12.7
B	11.9	11.8
CCC	1.7	0.9
D	0.1	0.1
Unrated	2.7	2.4
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	37.7	34.3
International Equity Funds	28.8	29.2
Canadian Equity Funds	19.7	22.8
United States Equity Funds	13.2	13.0
Cash/Other	0.6	0.7
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 34.3% (December 31, 2017 – 34.5%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.2	3.7
1 – 5 years	33.3	33.6
5 – 10 years	36.0	35.3
> 10 years	26.5	27.4
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.2% (December 31, 2017 – 2.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	26.2	26.1
Euro	3.3	3.3
Pound sterling	2.5	2.8
Japanese yen	1.9	2.0
Hong Kong dollar	1.6	1.4
Swiss franc	1.5	1.3
South African rand	1.1	1.0
Indian rupee	0.9	0.8
Brazilian real	0.8	–
New Taiwan dollar	0.6	0.6
South Korean won	0.5	0.7
Indonesian rupiah	0.5	–
Other currencies	3.7	2.8
Total	45.1	42.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.3% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	28 096	–	–	28 096
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	241	–	241
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	28 096	241	–	28 337
% of total portfolio	99.1	0.9	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	13 217	–	–	13 217
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	114	–	114
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	13 217	114	–	13 331
% of total portfolio	99.1	0.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	104
Advisor Series	108	104
Series F	111	107
Series O	110	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	5.0	0.2	4.9	0.1
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0	–	2.9	–
BlueBay Global Sovereign Bond Fund (Canada)	3.0	0.1	2.9	–
Phillips, Hager & North Canadian Equity Underlying Fund	6.9	0.1	7.0	–
Phillips, Hager & North Canadian Equity Value Fund	1.2	–	1.0	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	5.7	0.2	5.9	0.1
Phillips, Hager & North Conservative Equity Income Fund	3.2	–	3.1	–
Phillips, Hager & North Total Return Bond Fund	6.5	–	6.7	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.1	–	7.1	–
RBC Asia Pacific ex-Japan Equity Fund	1.0	–	1.1	–
RBC Bond Fund	6.0	–	6.0	–
RBC Emerging Markets Dividend Fund	0.4	–	0.5	–
RBC Emerging Markets Equity Fund	3.8	–	4.0	–
RBC Emerging Markets Small-Cap Equity Fund	0.4	–	0.5	–
RBC European Equity Fund	2.6	–	2.6	–
RBC European Mid-Cap Equity Fund	0.6	–	0.7	0.9
RBC Global Bond Fund	3.0	–	2.9	–
RBC Global Corporate Bond Fund	3.0	–	3.0	–
RBC Global Dividend Growth Fund	4.5	–	4.3	–
RBC Global Equity Focus Fund	10.0	0.1	10.0	–
RBC Global High Yield Bond Fund	4.9	–	5.0	–
RBC Japanese Equity Fund	0.5	–	0.5	–
RBC Private Canadian Mid-Cap Equity Pool	3.5	0.5	3.5	0.2
RBC QUBE Low Volatility Canadian Equity Fund	2.4	–	2.3	–
RBC QUBE Low Volatility Global Equity Fund	5.0	0.1	5.0	0.1
RBC U.S. Equity Value Fund	1.4	0.8	1.2	0.3
RBC U.S. Mid-Cap Value Equity Fund	4.7	0.2	4.7	0.1

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 202	26
Issued number of units	1 737	1 219
Reinvested number of units	82	33
Redeemed number of units	(262)	(76)
Ending number of units	2 759	1 202
Advisor Series		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–

Series F		
Opening units	56	–
Issued number of units	52	54
Reinvested number of units	4	2
Redeemed number of units	(6)	–
Ending number of units	106	56

Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC RETIREMENT 2050 PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
122 838	BlueBay European High Yield Bond Fund (Canada)*	\$ 1 261	\$ 1 174	
71 861	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	732	705	
70 237	BlueBay Global Sovereign Bond Fund (Canada)*	709	707	
158 309	Phillips, Hager & North Canadian Equity Underlying Fund*	1 863	1 648	
6 565	Phillips, Hager & North Canadian Equity Value Fund*	91	85	
46 241	Phillips, Hager & North Canadian Growth Fund*	1 732	1 575	
44 454	Phillips, Hager & North Conservative Equity Income Fund*	537	495	
137 689	Phillips, Hager & North Total Return Bond Fund*	1 540	1 526	
111 863	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	1 989	1 795	
22 128	RBC Asia Pacific ex-Japan Equity Fund*	282	256	
226 902	RBC Bond Fund*	1 545	1 527	
190 470	RBC Canadian Short-Term Income Fund*	2 010	1 997	
9 952	RBC Emerging Markets Dividend Fund*	134	122	
56 394	RBC Emerging Markets Equity Fund*	974	939	
8 439	RBC Emerging Markets Small-Cap Equity Fund*	120	116	
29 305	RBC European Equity Fund*	678	592	
18 022	RBC European Mid-Cap Equity Fund*	189	184	
64 716	RBC Global Bond Fund*	709	709	
74 227	RBC Global Corporate Bond Fund*	727	707	
152 496	RBC Global Equity Focus Fund*	2 477	2 382	
116 794	RBC Global High Yield Bond Fund*	1 250	1 177	
10 934	RBC Japanese Equity Fund*	142	125	
37 049	RBC Private Canadian Mid-Cap Equity Pool*	942	832	
44 885	RBC QUBE Low Volatility Global Equity Fund*	839	835	
7 290	RBC U.S. Equity Value Fund*	109	106	
100 796	RBC U.S. Mid-Cap Value Equity Fund*	1 347	1 165	
TOTAL UNDERLYING FUNDS		24 928	23 481	99.2
SHORT-TERM INVESTMENTS†		328	328	1.4
TOTAL INVESTMENTS		<u>\$ 25 256</u>	23 809	100.6
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(143)	(0.6)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 23 666</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 23 809	\$ 9 104
Cash	1	–
Subscriptions receivable	116	100
TOTAL ASSETS	23 926	9 204
LIABILITIES		
Due to investment dealers	219	138
Redemptions payable	1	4
Accounts payable and accrued expenses	40	15
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	260	157
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 23 666	\$ 9 047
Investments at cost	\$ 25 256	\$ 8 997
NAV		
SERIES A	\$ 23 366	\$ 8 926
ADVISOR SERIES	\$ 1	\$ 1
SERIES F	\$ 298	\$ 119
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.74	\$ 10.41
ADVISOR SERIES	\$ 9.76	\$ 10.42
SERIES F	\$ 9.62	\$ 10.29
SERIES O	\$ 9.56	\$ 10.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 3	\$ –
Income from investment trusts	1 003	303
Net realized gain (loss) on investments	(6)	2
Change in unrealized gain (loss) on investments	(1 554)	112
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(554)	417
TOTAL INCOME (LOSS)	(554)	417
EXPENSES (see notes – Fund Specific Information)		
Management fees	301	89
Administration fees	10	3
Independent Review Committee costs	2	3
GST/HST	31	9
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	342	101
INCREASE (DECREASE) IN NAV	\$ (896)	\$ 316
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (885)	\$ 306
ADVISOR SERIES	\$ –	\$ –
SERIES F	\$ (11)	\$ 5
SERIES O	\$ –	\$ 5
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.55)	\$ 0.65
ADVISOR SERIES	\$ (0.36)	\$ 0.73
SERIES F	\$ (0.54)	\$ 0.76
SERIES O	\$ (0.17)	\$ 1.37



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (896)	\$ 316
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 003)	(303)
Net realized loss (gain) on investments	6	(2)
Change in unrealized loss (gain) on investments	1 554	(112)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	25	15
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(65 355)	(26 539)
Proceeds from sale and maturity of investments	50 174	18 359
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(15 495)	(8 266)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17 506	9 109
Cash paid on redemption of redeemable units	(2 010)	(911)
Distributions paid to holders of redeemable units	—	(2)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 15 496	\$ 8 196
Net increase (decrease) in cash for the period	1	(70)
Cash (bank overdraft), beginning of period	—	70
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1	\$ —
Interest received (paid)	\$ 3	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 8 926	\$ 297	\$ 1	\$ 1	\$ 119	\$ 1
INCREASE (DECREASE) IN NAV	(885)	306	—	—	(11)	5
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	17 375	9 112	—	—	246	115
Reinvestments of distributions to holders of redeemable units	628	216	—	—	12	2
Redemption of redeemable units	(2 050)	(789)	—	—	(56)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	15 953	8 539	—	—	202	117
Distributions from net income	(203)	(72)	—	—	(6)	(2)
Distributions from net gains	(425)	(144)	—	—	(6)	(2)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(628)	(216)	—	—	(12)	(4)
NET INCREASE (DECREASE) IN NAV	14 440	8 629	—	—	179	118
NAV AT END OF PERIOD	\$ 23 366	\$ 8 926	\$ 1	\$ 1	\$ 298	\$ 119

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 149	\$ 9 047	\$ 448
INCREASE (DECREASE) IN NAV	—	5	(896)	316
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	17 621	9 227
Reinvestments of distributions to holders of redeemable units	—	—	640	218
Redemption of redeemable units	—	(153)	(2 106)	(942)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(153)	16 155	8 503
Distributions from net income	—	—	(209)	(74)
Distributions from net gains	—	—	(431)	(146)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(640)	(220)
NET INCREASE (DECREASE) IN NAV	—	(148)	14 619	8 599
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 23 666	\$ 9 047

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is to meet the changing needs of investors who are saving money for retirement that commences around 2050. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 49.7% (December 31, 2017 – 46.3%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	19.8	22.4
AA	24.8	23.2
A	13.6	15.5
BBB	19.4	18.2
BB	9.4	9.5
B	9.5	8.8
CCC	1.3	0.6
D	0.1	–
Unrated	2.1	1.8
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	45.2	46.3
International Equity Funds	23.5	21.6
Canadian Equity Funds	17.6	18.3
United States Equity Funds	12.9	12.5
Cash/Other	0.8	1.3
Total	100.0	100.0

Please see the generic notes at the back of the financial statements.

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 42.9% (December 31, 2017 – 46.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	5.1	5.7
1 – 5 years	44.4	45.2
5 – 10 years	29.1	28.4
> 10 years	21.4	20.7
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.4% (December 31, 2017 – 2.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	22.3	21.1
Euro	2.9	2.6
Pound sterling	2.0	2.2
Japanese yen	1.6	1.3
Hong Kong dollar	1.5	1.2
Swiss franc	1.2	0.9
South African rand	1.0	0.9
Indian rupee	1.0	0.8
Brazilian real	0.8	–
New Taiwan dollar	0.6	0.6
South Korean won	0.5	0.7
Indonesian rupiah	0.5	–
Thailand baht	0.5	–
Other currencies	3.1	2.6
Total	39.5	34.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.0% (December 31, 2017 – 1.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 26-month (December 31, 2017 – 14-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	23 481	–	–	23 481
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	328	–	328
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	23 481	328	–	23 809
% of total portfolio	98.6	1.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	8 933	–	–	8 933
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	171	–	171
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	8 933	171	–	9 104
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.80%	0.05%
Advisor Series	1.80%	0.05%
Series F	0.80%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	104
Advisor Series	107	104
Series F	111	106
Series O	111	105
Value of all units	4	4

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	5.0	0.2	5.0	0.1
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	3.0	–	3.0	–
BlueBay Global Sovereign Bond Fund (Canada)	3.0	–	3.0	–
Phillips, Hager & North Canadian Equity Underlying Fund	7.0	0.1	6.9	–
Phillips, Hager & North Canadian Equity Value Fund	0.4	–	–	–



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	6.7	0.2	6.9	0.1
Phillips, Hager & North Conservative Equity Income Fund	2.1	–	1.1	–
Phillips, Hager & North Total Return Bond Fund	6.4	–	6.4	–
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.6	–	7.4	–
RBC Asia Pacific ex-Japan Equity Fund	1.1	–	1.1	–
RBC Bond Fund	6.4	–	6.4	–
RBC Canadian Short-Term Income Fund	8.4	–	11.4	–
RBC Emerging Markets Dividend Fund	0.5	–	0.5	–
RBC Emerging Markets Equity Fund	4.0	–	4.0	–
RBC Emerging Markets Small-Cap Equity Fund	0.5	–	0.5	–
RBC European Equity Fund	2.5	–	2.5	–
RBC European Mid-Cap Equity Fund	0.8	–	0.8	0.6
RBC Global Bond Fund	3.0	–	3.1	–
RBC Global Corporate Bond Fund	3.0	–	3.0	–
RBC Global Equity Focus Fund	10.1	0.1	9.9	–
RBC Global High Yield Bond Fund	5.0	–	5.0	–
RBC Japanese Equity Fund	0.5	–	0.5	–
RBC Private Canadian Mid-Cap Equity Pool	3.5	0.4	3.4	0.2
RBC QUBE Low Volatility Global Equity Fund	3.5	0.1	1.8	–
RBC U.S. Equity Value Fund	0.4	0.2	0.2	–
RBC U.S. Mid-Cap Value Equity Fund	4.9	0.2	4.9	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	858	30
Issued number of units	1 672	883
Reinvested number of units	66	21
Redeemed number of units	(198)	(76)
Ending number of units	2 398	858
Advisor Series		
Opening units	–	–
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	–	–
Series F		
Opening units	12	–
Issued number of units	23	12
Reinvested number of units	1	–
Redeemed number of units	(5)	–
Ending number of units	31	12
Series O		
Opening units	–	15
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(15)
Ending number of units	–	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT VERY CONSERVATIVE PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
36 649 363	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	\$ 373 497	\$ 359 768	
18 045 220	BlueBay Global Sovereign Bond Fund (Canada)*	181 152	181 651	
174 568 649	Phillips, Hager & North Bond Fund*	1 830 999	1 752 389	
10 431 340	Phillips, Hager & North Canadian Equity Underlying Fund*	107 646	108 619	
20 090 396	Phillips, Hager & North Canadian Equity Underlying Fund II*	186 532	170 437	
38 306 970	Phillips, Hager & North Conservative Equity Income Fund*	436 066	426 759	
75 371 242	Phillips, Hager & North Short Term Bond & Mortgage Fund*	766 486	744 525	
113 787 039	Phillips, Hager & North Total Return Bond Fund*	1 309 104	1 260 044	
38 881 763	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	638 831	623 955	
8 500 161	RBC Asia Pacific ex-Japan Equity Fund*	92 227	98 482	
118 522 262	RBC Bond Fund*	802 896	797 216	
6 318 019	RBC Canadian Dividend Fund*	377 334	424 203	
90 415 989	RBC Canadian Short-Term Income Fund*	983 917	948 021	
26 284 426	RBC European Equity Fund*	544 733	530 898	
132 248 137	RBC Global Bond Fund*	1 451 328	1 449 731	
169 497 973	RBC Global Corporate Bond Fund*	1 673 765	1 614 316	
9 478 234	RBC Global Equity Fund*	107 172	141 158	
24 969 704	RBC Global High Yield Bond Fund*	267 788	251 630	
5 249 779	RBC Japanese Equity Fund*	58 413	60 248	
12 170 221	RBC Private Canadian Equity Pool*	288 905	280 476	
TOTAL UNDERLYING FUNDS		12 478 791	12 224 526	99.8
SHORT-TERM INVESTMENTS[†]		24 987	24 987	0.2
TOTAL INVESTMENTS		12 503 778	12 249 513	100.0
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)		—	1 386	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)		—	(152)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	44	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	(637)	—
TOTAL PORTFOLIO		<u>\$12 503 778</u>	12 250 154	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(4 959)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$12 245 195</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
(143) The S&P 500 Mini Index Future, March 2019		
Contracts at USD 2 647.15 per contract	\$ (25 390)	\$ 1 386
	\$ (25 390)	\$ 1 386
Number of Contracts	Contracted Value	Unrealized Loss
61 Mini MSCI EAFE Index Future, March 2019		
Contracts at USD 1 749.12 per contract	\$ 7 137	\$ (137)
3 The S&P/TSX 60 Index Future, March 2019		
Contracts at CAD 881.10 per contract	529	(15)
	\$ 7 666	\$ (152)
TOTAL FUTURES	\$ (17 724)	\$ 1 234

\$3 300 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 420 Sold CAD 573 @ 0.7322	03-Jan-2019	\$ –
Bought USD 492 Sold CAD 645 @ 0.7630	05-Feb-2019	27
Bought USD 192 Sold CAD 257 @ 0.7485	05-Feb-2019	5
Bought USD 1 700 Sold CAD 2 307 @ 0.7369	05-Feb-2019	12
Bought CAD 573 Sold USD 420 @ 1.3635	18-Mar-2019	–
		\$ 44
Contracts	Maturity Date	Unrealized Loss
Bought CAD 14 751 Sold USD 11 232 @ 1.3133	05-Feb-2019	\$ (568)
Bought CAD 323 Sold USD 247 @ 1.3064	05-Feb-2019	(14)
Bought CAD 148 Sold USD 112 @ 1.3211	05-Feb-2019	(5)
Bought CAD 78 Sold USD 59 @ 1.3149	05-Feb-2019	(3)
Bought CAD 3 154 Sold USD 2 347 @ 1.3440	18-Mar-2019	(44)
Bought CAD 713 Sold USD 525 @ 1.3576	18-Mar-2019	(3)
		\$ (637)
TOTAL FOREIGN EXCHANGE		\$ (593)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.22% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 12 249 513	\$ 13 155 546
Cash	8	707
Due from investment dealers	17 000	–
Subscriptions receivable	5 303	7 788
Unrealized gain on futures contracts	1 386	2
Unrealized gain on foreign exchange contracts	44	80
Dividends receivable, interest accrued and other assets	22	258
TOTAL ASSETS	12 273 276	13 164 381
LIABILITIES		
Due to investment dealers	–	6 000
Redemptions payable	8 261	8 207
Unrealized loss on futures contracts	152	133
Futures contracts margin payable	1 415	–
Unrealized loss on foreign exchange contracts	637	2
Distributions payable	1 040	1 141
Accounts payable and accrued expenses	16 576	17 875
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	28 081	33 358
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 12 245 195	\$ 13 131 023
Investments at cost	\$ 12 503 778	\$ 12 842 879
NAV		
SERIES A	\$ 10 898 731	\$ 11 973 747
ADVISOR SERIES	\$ 66 844	\$ 71 328
SERIES T5	\$ 245 067	\$ 303 228
SERIES F	\$ 971 781	\$ 725 190
SERIES FT5	\$ 58 664	\$ 51 024
SERIES O	\$ 4 108	\$ 6 506
NAV PER UNIT		
SERIES A	\$ 11.83	\$ 12.42
ADVISOR SERIES	\$ 11.89	\$ 12.48
SERIES T5	\$ 10.42	\$ 11.19
SERIES F	\$ 11.89	\$ 12.46
SERIES FT5	\$ 11.39	\$ 12.13
SERIES O	\$ 9.63	\$ 10.12

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 2 563	\$ 2 930
Income from investment trusts	456 717	467 065
Derivative income	2 856	2 194
Net realized gain (loss) on investments	67 602	58 314
Change in unrealized gain (loss) on investments	(567 603)	170 302
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(37 865)	700 805
Net gain (loss) on foreign cash balances	(1)	(12)
TOTAL OTHER INCOME (LOSS)	(1)	(12)
TOTAL INCOME (LOSS)	(37 866)	700 793
EXPENSES (see notes – Fund Specific Information)		
Management fees	179 282	179 015
Administration fees	6 466	6 339
Independent Review Committee costs	2	3
GST/HST	19 846	19 676
TOTAL EXPENSES	205 596	205 033
INCREASE (DECREASE) IN NAV	\$ (243 462)	\$ 495 760
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (225 204)	\$ 456 973
ADVISOR SERIES	\$ (1 351)	\$ 2 721
SERIES T5	\$ (5 437)	\$ 11 637
SERIES F	\$ (10 685)	\$ 22 779
SERIES FT5	\$ (753)	\$ 1 401
SERIES O	\$ (32)	\$ 249
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.24)	\$ 0.48
ADVISOR SERIES	\$ (0.24)	\$ 0.46
SERIES T5	\$ (0.21)	\$ 0.44
SERIES F	\$ (0.14)	\$ 0.55
SERIES FT5	\$ (0.15)	\$ 0.52
SERIES O	\$ (0.09)	\$ 0.70



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (243 462)	\$ 495 760
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(456 717)	(467 065)
Net realized loss (gain) on investments	(67 602)	(58 314)
Change in unrealized loss (gain) on investments	567 603	(170 302)
(Increase) decrease in accrued receivables	(1 148)	(184)
Increase (decrease) in accrued payables	(1 280)	1 452
(Increase) decrease in margin accounts	1 415	64
Cost of investments purchased	(3 790 211)	(7 245 455)
Proceeds from sale and maturity of investments	4 630 631	6 745 221
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	639 229	(698 823)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	2 301 304	3 190 851
Cash paid on redemption of redeemable units	(2 906 518)	(2 468 918)
Distributions paid to holders of redeemable units	(34 714)	(23 000)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (639 928)	\$ 698 933
Net increase (decrease) in cash for the period	(699)	110
Cash (bank overdraft), beginning of period	707	597
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 8	\$ 707
Interest received (paid)	\$ 2 799	\$ 2 746
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 11 973 747	\$ 11 232 629	\$ 71 328	\$ 74 347	\$ 303 228	\$ 285 641	\$ 725 190	\$ 327 263
INCREASE (DECREASE) IN NAV	(225 204)	456 973	(1 351)	2 721	(5 437)	11 637	(10 685)	22 779
Early redemption fees	18	17	—	—	1	—	—	—
Proceeds from redeemable units issued	1 955 697	2 806 871	20 931	25 178	45 386	106 401	551 310	525 571
Reinvestments of distributions to holders of redeemable units	305 360	181 977	1 613	947	3 688	3 804	17 740	6 943
Redemption of redeemable units	(2 800 746)	(2 519 836)	(23 793)	(30 779)	(87 662)	(89 251)	(277 830)	(143 223)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(539 671)	469 029	(1 249)	(4 654)	(38 587)	20 954	291 220	389 291
Distributions from net income	(136 014)	(117 170)	(811)	(687)	(3 278)	(3 136)	(18 269)	(10 148)
Distributions from net gains	(174 127)	(67 714)	(1 073)	(399)	(3 818)	(1 626)	(15 675)	(3 995)
Distributions from capital	—	—	—	—	(7 041)	(10 242)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(310 141)	(184 884)	(1 884)	(1 086)	(14 137)	(15 004)	(33 944)	(14 143)
NET INCREASE (DECREASE) IN NAV	(1 075 016)	741 118	(4 484)	(3 019)	(58 161)	17 587	246 591	397 927
NAV AT END OF PERIOD	\$ 10 898 731	\$ 11 973 747	\$ 66 844	\$ 71 328	\$ 245 067	\$ 303 228	\$ 971 781	\$ 725 190

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 51 024	\$ 19 665	\$ 6 506	\$ 2 623	\$ 13 131 023	\$ 11 942 168
INCREASE (DECREASE) IN NAV	(753)	1 401	(32)	249	(243 462)	495 760
Early redemption fees	—	—	—	—	19	17
Proceeds from redeemable units issued	36 809	39 166	3 022	10 077	2 613 155	3 513 264
Reinvestments of distributions to holders of redeemable units	329	131	28	—	328 758	193 802
Redemption of redeemable units	(25 639)	(7 648)	(5 257)	(6 292)	(3 220 927)	(2 797 029)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	11 499	31 649	(2 207)	3 785	(278 995)	910 054
Distributions from net income	(1 204)	(602)	(103)	(112)	(159 679)	(131 855)
Distributions from net gains	(892)	(274)	(56)	(39)	(195 641)	(74 047)
Distributions from capital	(1 010)	(815)	—	—	(8 051)	(11 057)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 106)	(1 691)	(159)	(151)	(363 371)	(216 959)
NET INCREASE (DECREASE) IN NAV	7 640	31 359	(2 398)	3 883	(885 828)	1 188 855
NAV AT END OF PERIOD	\$ 58 664	\$ 51 024	\$ 4 108	\$ 6 506	\$ 12 245 195	\$ 13 131 023

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide income and the potential for modest capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 72.6% (December 31, 2017 – 72.5%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	26.0	31.8
AA	26.8	22.6
A	19.5	19.3
BBB	21.2	19.4
BB	3.0	3.2
B	2.3	2.3
CCC	0.2	0.2
Unrated	1.0	1.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	79.8	72.4
Canadian Equity Funds	8.1	11.9
International Equity Funds	6.8	7.7
United States Equity Funds	5.1	5.7
Cash/Other	0.2	2.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 76.5% (December 31, 2017 – 72.5%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	4.2	3.9
1 – 5 years	46.9	45.3
5 – 10 years	23.3	26.6
> 10 years	25.6	24.2
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.8% (December 31, 2017 – 4.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	6.1	7.8
Euro	2.1	2.4
Pound sterling	1.3	1.5
Swiss franc	0.7	0.7
Japanese yen	0.6	1.2
Brazilian real	0.5	–
Other currencies	4.1	1.8
Total	15.4	15.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.8% (December 31, 2017 – 0.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.2	+ or - 0.2

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	12 224 526	–	–	12 224 526
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	24 987	–	24 987
Derivatives – assets	1 386	44	–	1 430
Derivatives – liabilities	(152)	(637)	–	(789)
Total financial instruments	12 225 760	24 394	–	12 250 154
% of total portfolio	99.8	0.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	12 828 490	–	–	12 828 490
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	327 056	–	327 056
Derivatives – assets	2	80	–	82
Derivatives – liabilities	(133)	(2)	–	(135)
Total financial instruments	12 828 359	327 134	–	13 155 493
% of total portfolio	97.5	2.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.60%.

Please see the generic notes at the back of the financial statements.

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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.44%	0.05%
Advisor Series	1.44%	0.05%
Series T5	1.44%	0.05%
Series F	0.70%	0.05%
Series FT5	0.70%	0.05%
Series O	n/a†	0.02%

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended December 31, 2018.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
(\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	92	87
Series O	127	121
Value of all units	2	2

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.9	17.0	2.7	19.4
BlueBay Global Sovereign Bond Fund (Canada)	1.5	12.6	1.3	14.2
Phillips, Hager & North Bond Fund	14.3	18.8	14.1	19.0
Phillips, Hager & North Canadian Equity Underlying Fund	0.9	4.3	0.9	4.4



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Equity Underlying Fund II	1.4	9.1	1.4	10.8
Phillips, Hager & North Conservative Equity Income Fund	3.5	20.8	3.5	26.1
Phillips, Hager & North Short Term Bond & Mortgage Fund	6.1	10.8	6.0	12.2
Phillips, Hager & North Total Return Bond Fund	10.3	15.0	9.7	15.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.1	12.4	5.7	14.0
RBC Asia Pacific ex-Japan Equity Fund	0.8	4.6	0.9	5.7
RBC Bond Fund	6.5	4.0	6.0	4.3
RBC Canadian Dividend Fund	3.5	2.5	3.3	2.3
RBC Canadian Short-Term Income Fund	7.7	16.8	7.2	17.3
RBC European Equity Fund	4.3	8.7	4.8	8.9
RBC Global Bond Fund	11.8	18.9	11.0	21.3
RBC Global Corporate Bond Fund	13.2	15.1	12.4	16.5
RBC Global Equity Fund	1.2	15.4	1.4	20.2
RBC Global High Yield Bond Fund	2.1	7.1	2.0	7.0
RBC Japanese Equity Fund	0.5	4.8	0.6	6.6
RBC Private Canadian Equity Pool	2.3	6.3	2.3	6.8
RBC QUBE Low Volatility Canadian Equity Fund	–	–	0.5	3.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	964 460	926 411
Issued number of units	158 930	227 290
Reinvested number of units	25 792	14 675
Redeemed number of units	(227 991)	(203 916)
Ending number of units	921 191	964 460
Advisor Series		
Opening units	5 715	6 099
Issued number of units	1 693	2 021
Reinvested number of units	136	76
Redeemed number of units	(1 924)	(2 481)
Ending number of units	5 620	5 715
Series T5		
Opening units	27 097	25 257
Issued number of units	4 159	9 400
Reinvested number of units	341	337
Redeemed number of units	(8 084)	(7 897)
Ending number of units	23 513	27 097
Series F		
Opening units	58 187	26 914
Issued number of units	44 583	42 252
Reinvested number of units	1 483	558
Redeemed number of units	(22 542)	(11 537)
Ending number of units	81 711	58 187
Series FT5		
Opening units	4 206	1 617
Issued number of units	3 111	3 207
Reinvested number of units	28	11
Redeemed number of units	(2 197)	(629)
Ending number of units	5 148	4 206
Series O		
Opening units	643	265
Issued number of units	303	997
Reinvested number of units	3	–
Redeemed number of units	(522)	(619)
Ending number of units	427	643



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 430	(789)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 430	(789)
Related amounts not set-off	(184)	184
Collateral (received) pledged	(1 233)	–
Net amount	12	(605)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	82	(135)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	82	(135)
Related amounts not set-off	(4)	4
Collateral (received) pledged	–	131
Net amount	78	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT CONSERVATIVE PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
39 857 885	BlueBay European High Yield Bond Fund (Canada)*	\$ 398 959	\$ 380 934	
73 659 287	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	751 442	723 076	
51 532 332	BlueBay Global Sovereign Bond Fund (Canada)*	517 790	518 750	
3 315 534	Phillips, Hager & North Bond Fund*	34 548	33 283	
37 800 903	Phillips, Hager & North Canadian Equity Underlying Fund*	386 654	393 613	
54 595 311	Phillips, Hager & North Canadian Equity Underlying Fund II*	500 335	463 159	
108 625 574	Phillips, Hager & North Conservative Equity Income Fund*	1 235 410	1 210 143	
71 994 737	Phillips, Hager & North Short Term Bond & Mortgage Fund*	733 548	711 171	
241 269 222	Phillips, Hager & North Total Return Bond Fund*	2 762 150	2 671 743	
82 906 993	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	1 289 546	1 330 450	
51 402 534	RBC Asia Pacific ex-Japan Equity Fund*	548 672	595 545	
692 215 989	RBC Bond Fund*	4 639 443	4 656 052	
20 790 156	RBC Canadian Dividend Fund*	1 192 228	1 395 886	
231 268 142	RBC Canadian Short-Term Income Fund*	2 500 863	2 424 871	
104 133 588	RBC European Equity Fund*	2 095 187	2 103 311	
184 224 336	RBC Global Bond Fund*	2 018 512	2 019 504	
233 619 470	RBC Global Corporate Bond Fund*	2 299 341	2 225 015	
21 914 023	RBC Global Equity Fund*	252 590	326 363	
91 242 390	RBC Global High Yield Bond Fund*	979 230	919 486	
32 573 880	RBC Japanese Equity Fund*	347 025	373 824	
45 728 168	RBC Private Canadian Equity Pool*	1 091 375	1 053 856	
42 299 537	RBC QUBE U.S. Equity Fund*	646 003	612 243	
20 593 439	RBC U.S. Dividend Fund*	531 957	586 235	
9 897 841	RBC U.S. Equity Fund*	278 664	310 285	
TOTAL UNDERLYING FUNDS		28 031 472	28 038 798	99.5
SHORT-TERM INVESTMENTS[†]		147 537	147 537	0.5
TOTAL INVESTMENTS		28 179 009	28 186 335	100.0
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)		—	3 072	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)		—	(2 688)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	1 881	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	(1 319)	—
TOTAL PORTFOLIO		<u>\$28 179 009</u>	<u>28 187 281</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			1 900	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$28 189 181</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
(317) The S&P 500 Mini Index Future, March 2019		
Contracts at USD 2 647.15 per contract	\$ (56 284)	\$ 3 072
	<u>\$ (56 284)</u>	<u>\$ 3 072</u>
Number of Contracts	Contracted Value	Unrealized Loss
650 Mini MSCI EAFE Index Future, March 2019		
Contracts at USD 1 749.12 per contract	\$ 76 046	\$ (1 470)
256 The S&P/TSX 60 Index Future, March 2019		
Contracts at CAD 881.10 per contract	45 112	(1 218)
	<u>\$ 121 158</u>	<u>\$ (2 688)</u>
TOTAL FUTURES	<u>\$ 64 874</u>	<u>\$ 384</u>

\$14 000 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 99 Sold CAD 136 @ 0.7322	03-Jan-2019	\$ –
Bought USD 2 475 Sold CAD 3 244 @ 0.7630	05-Feb-2019	132
Bought USD 42 864 Sold CAD 56 723 @ 0.7557	05-Feb-2019	1 739
Bought USD 110 Sold CAD 147 @ 0.7485	05-Feb-2019	3
Bought USD 954 Sold CAD 1 295 @ 0.7369	05-Feb-2019	7
Bought CAD 135 Sold USD 99 @ 1.3635	18-Mar-2019	–
		<u>\$ 1 881</u>
Contracts	Maturity Date	Unrealized Loss
Bought CAD 30 549 Sold USD 23 261 @ 1.3133	05-Feb-2019	\$ (1 177)
Bought CAD 175 Sold USD 134 @ 1.3064	05-Feb-2019	(8)
Bought CAD 420 Sold USD 318 @ 1.3211	05-Feb-2019	(14)
Bought CAD 126 Sold USD 96 @ 1.3149	05-Feb-2019	(5)
Bought CAD 7 760 Sold USD 5 774 @ 1.3440	18-Mar-2019	(108)
Bought CAD 489 Sold USD 364 @ 1.3439	18-Mar-2019	(7)
		<u>\$ (1 319)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ 562</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.58% to 2.23% and mature between January 3, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 28 186 335	\$ 27 133 711
Cash	1 898	2 172
Due from investment dealers	48 000	–
Subscriptions receivable	9 324	19 320
Unrealized gain on futures contracts	3 072	–
Unrealized gain on foreign exchange contracts	1 881	677
Dividends receivable, interest accrued and other assets	194	481
TOTAL ASSETS	28 250 704	27 156 361
LIABILITIES		
Due to investment dealers	–	13 000
Redemptions payable	15 502	11 083
Unrealized loss on futures contracts	2 688	1 077
Futures contracts margin payable	503	–
Unrealized loss on foreign exchange contracts	1 319	14
Distributions payable	2 916	2 316
Accounts payable and accrued expenses	38 595	38 184
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	61 523	65 674
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 28 189 181	\$ 27 090 687
Investments at cost	\$ 28 179 009	\$ 25 472 879
NAV		
SERIES A	\$ 22 337 927	\$ 23 294 946
ADVISOR SERIES	\$ 59 916	\$ 58 339
SERIES T5	\$ 479 712	\$ 507 950
SERIES F	\$ 4 211 384	\$ 2 436 280
SERIES FT5	\$ 292 117	\$ 167 137
SERIES O	\$ 808 125	\$ 626 035
NAV PER UNIT		
SERIES A	\$ 20.31	\$ 21.52
ADVISOR SERIES	\$ 20.52	\$ 21.73
SERIES T5	\$ 18.06	\$ 19.59
SERIES F	\$ 20.58	\$ 21.75
SERIES FT5	\$ 19.71	\$ 21.18
SERIES O	\$ 20.79	\$ 21.98

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 6 664	\$ 6 378
Income from investment trusts	1 187 197	1 045 721
Derivative income	2 870	2 571
Net realized gain (loss) on investments	110 116	90 980
Change in unrealized gain (loss) on investments	(1 653 607)	707 592
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(346 760)	1 853 242
Net gain (loss) on foreign cash balances	79	(7)
TOTAL OTHER INCOME (LOSS)	79	(7)
TOTAL INCOME (LOSS)	(346 681)	1 853 235
EXPENSES (see notes – Fund Specific Information)		
Management fees	404 958	377 674
Administration fees	13 945	12 436
Independent Review Committee costs	2	3
GST/HST	43 367	40 311
TOTAL EXPENSES	462 272	430 424
INCREASE (DECREASE) IN NAV	\$ (808 953)	\$ 1 422 811
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (689 342)	\$ 1 253 914
ADVISOR SERIES	\$ (1 808)	\$ 3 227
SERIES T5	\$ (14 869)	\$ 26 730
SERIES F	\$ (87 740)	\$ 93 628
SERIES FT5	\$ (6 392)	\$ 6 360
SERIES O	\$ (8 802)	\$ 38 952
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.64)	\$ 1.18
ADVISOR SERIES	\$ (0.66)	\$ 1.19
SERIES T5	\$ (0.57)	\$ 1.10
SERIES F	\$ (0.53)	\$ 1.36
SERIES FT5	\$ (0.53)	\$ 1.35
SERIES O	\$ (0.26)	\$ 1.61



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (808 953)	\$ 1 422 811
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 187 197)	(1 045 721)
Net realized loss (gain) on investments	(110 116)	(90 980)
Change in unrealized loss (gain) on investments	1 653 607	(707 592)
(Increase) decrease in accrued receivables	(2 785)	(218)
Increase (decrease) in accrued payables	2 022	5 156
(Increase) decrease in margin accounts	503	(560)
Cost of investments purchased	(11 136 719)	(16 258 025)
Proceeds from sale and maturity of investments	9 666 902	13 996 190
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 922 736)	(2 678 939)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	6 301 699	6 075 568
Cash paid on redemption of redeemable units	(4 302 372)	(3 354 539)
Distributions paid to holders of redeemable units	(76 865)	(41 079)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 1 922 462	\$ 2 679 950
Net increase (decrease) in cash for the period	(274)	1 011
Cash (bank overdraft), beginning of period	2 172	1 161
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 898	\$ 2 172
Interest received (paid)	\$ 6 951	\$ 6 044
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 23 294 946	\$ 21 234 899	\$ 58 339	\$ 55 642	\$ 507 950	\$ 448 787	\$ 2 436 280	\$ 756 080
INCREASE (DECREASE) IN NAV	(689 342)	1 253 914	(1 808)	3 227	(14 869)	26 730	(87 740)	93 628
Early redemption fees	33	24	—	—	—	—	3	—
Proceeds from redeemable units issued	4 554 088	4 799 349	14 835	15 180	171 685	193 690	2 553 822	1 839 686
Reinvestments of distributions to holders of redeemable units	600 547	343 378	1 516	806	4 877	4 420	99 484	32 950
Redemption of redeemable units	(4 816 627)	(3 990 249)	(11 368)	(15 657)	(164 223)	(141 894)	(651 742)	(238 663)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	338 041	1 152 502	4 983	329	12 339	56 216	2 001 567	1 633 973
Distributions from net income	(245 620)	(189 254)	(642)	(469)	(5 349)	(4 493)	(71 502)	(31 403)
Distributions from net gains	(360 098)	(157 115)	(956)	(390)	(7 412)	(3 301)	(67 221)	(15 998)
Distributions from capital	—	—	—	—	(12 947)	(15 989)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(605 718)	(346 369)	(1 598)	(859)	(25 708)	(23 783)	(138 723)	(47 401)
NET INCREASE (DECREASE) IN NAV	(957 019)	2 060 047	1 577	2 697	(28 238)	59 163	1 775 104	1 680 200
NAV AT END OF PERIOD	\$ 22 337 927	\$ 23 294 946	\$ 59 916	\$ 58 339	\$ 479 712	\$ 507 950	\$ 4 211 384	\$ 2 436 280

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 167 137	\$ 51 066	\$ 626 035	\$ 438 308	\$ 27 090 687	\$ 22 984 782
INCREASE (DECREASE) IN NAV	(6 392)	6 360	(8 802)	38 952	(808 953)	1 422 811
Early redemption fees	5	—	—	—	41	24
Proceeds from redeemable units issued	194 254	137 949	275 784	221 491	7 764 468	7 207 345
Reinvestments of distributions to holders of redeemable units	1 236	583	33 350	18 095	741 010	400 232
Redemption of redeemable units	(51 026)	(23 639)	(84 611)	(72 488)	(5 779 597)	(4 482 590)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	144 469	114 893	224 523	167 098	2 725 922	3 125 011
Distributions from net income	(4 894)	(1 856)	(20 927)	(14 206)	(348 934)	(241 681)
Distributions from net gains	(4 433)	(1 051)	(12 704)	(4 117)	(452 824)	(181 972)
Distributions from capital	(3 770)	(2 275)	—	—	(16 717)	(18 264)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(13 097)	(5 182)	(33 631)	(18 323)	(818 475)	(441 917)
NET INCREASE (DECREASE) IN NAV	124 980	116 071	182 090	187 727	1 098 494	4 105 905
NAV AT END OF PERIOD	\$ 292 117	\$ 167 137	\$ 808 125	\$ 626 035	\$ 28 189 181	\$ 27 090 687

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide income and the potential for moderate capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 59.3% (December 31, 2017 – 57.3%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	21.8	25.0
AA	30.9	27.1
A	16.9	18.0
BBB	20.5	19.4
BB	4.5	5.0
B	4.0	4.1
CCC	0.4	0.3
Unrated	1.0	1.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	65.6	57.3
Canadian Equity Funds	12.1	16.6
International Equity Funds	11.7	12.8
United States Equity Funds	10.1	11.0
Cash/Other	0.5	2.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 61.5% (December 31, 2017 – 57.3%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	4.1	4.1
1 – 5 years	46.2	44.4
5 – 10 years	25.2	27.1
> 10 years	24.5	24.4
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.8% (December 31, 2017 – 3.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	9.6	10.8
Euro	3.5	3.7
Pound sterling	2.1	2.3
Japanese yen	1.4	1.9
Swiss franc	1.1	1.0
Hong Kong dollar	0.6	0.5
Other currencies	4.9	2.8
Total	23.2	23.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.2% (December 31, 2017 – 1.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.3	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	28 038 798	–	–	28 038 798
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	147 537	–	147 537
Derivatives – assets	3 072	1 881	–	4 953
Derivatives – liabilities	(2 688)	(1 319)	–	(4 007)
Total financial instruments	28 039 182	148 099	–	28 187 281
% of total portfolio	99.5	0.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	26 452 576	–	–	26 452 576
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	681 135	–	681 135
Derivatives – assets	–	677	–	677
Derivatives – liabilities	(1 077)	(14)	–	(1 091)
Total financial instruments	26 451 499	681 798	–	27 133 297
% of total portfolio	97.5	2.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER of the underlying funds. The Specified Percentage for Series A, Advisor Series and Series T5 units is 1.75%.

Please see the generic notes at the back of the financial statements.

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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.58%	0.05%
Advisor Series	1.58%	0.05%
Series T5	1.58%	0.05%
Series F	0.75%	0.05%
Series FT5	0.75%	0.05%
Series O	n/a†	0.02%

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended December 31, 2018.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	55	52
Series O	89	85
Value of all units	3	3

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	1.4	65.9	1.4	66.7
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.6	34.2	2.4	35.0
BlueBay Global Sovereign Bond Fund (Canada)	1.8	36.0	1.7	36.9
Phillips, Hager & North Bond Fund	0.1	0.4	0.3	0.8
Phillips, Hager & North Canadian Equity Underlying Fund	1.4	15.7	1.6	16.0



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Equity Underlying Fund II	1.6	24.8	1.6	26.1
Phillips, Hager & North Conservative Equity Income Fund	4.3	59.1	4.3	66.4
Phillips, Hager & North Short Term Bond & Mortgage Fund	2.5	10.3	2.5	10.4
Phillips, Hager & North Total Return Bond Fund	9.5	31.7	8.8	28.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	4.7	26.5	5.2	26.6
RBC Asia Pacific ex-Japan Equity Fund	2.1	27.6	2.2	30.3
RBC Bond Fund	16.5	23.4	15.3	22.3
RBC Canadian Dividend Fund	5.0	8.2	4.8	6.9
RBC Canadian Short-Term Income Fund	8.6	43.0	8.0	39.5
RBC European Equity Fund	7.5	34.6	7.8	30.0
RBC Global Bond Fund	7.2	26.3	6.6	26.4
RBC Global Corporate Bond Fund	7.9	20.8	7.3	20.0
RBC Global Equity Fund	1.2	35.6	1.3	37.2
RBC Global High Yield Bond Fund	3.3	25.8	3.0	22.5
RBC Japanese Equity Fund	1.3	30.1	1.5	33.2
RBC Private Canadian Equity Pool	3.7	23.5	3.8	24.0
RBC QUBE Low Volatility Canadian Equity Fund	–	–	0.5	6.6
RBC QUBE U.S. Equity Fund	2.2	17.3	2.3	17.2
RBC U.S. Dividend Fund	2.1	14.6	2.3	15.3
RBC U.S. Equity Fund	1.1	16.3	1.2	15.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 082 685	1 028 279
Issued number of units	212 951	226 120
Reinvested number of units	29 771	15 960
Redeemed number of units	(225 654)	(187 674)
Ending number of units	1 099 753	1 082 685
Advisor Series		
Opening units	2 685	2 669
Issued number of units	689	707
Reinvested number of units	74	37
Redeemed number of units	(528)	(728)
Ending number of units	2 920	2 685
Series T5		
Opening units	25 927	23 060
Issued number of units	8 990	9 874
Reinvested number of units	258	226
Redeemed number of units	(8 611)	(7 233)
Ending number of units	26 564	25 927
Series F		
Opening units	112 025	36 255
Issued number of units	118 048	85 330
Reinvested number of units	4 820	1 519
Redeemed number of units	(30 258)	(11 079)
Ending number of units	204 635	112 025
Series FT5		
Opening units	7 894	2 450
Issued number of units	9 358	6 540
Reinvested number of units	60	28
Redeemed number of units	(2 489)	(1 124)
Ending number of units	14 823	7 894
Series O		
Opening units	28 486	20 796
Issued number of units	12 655	10 188
Reinvested number of units	1 589	828
Redeemed number of units	(3 858)	(3 326)
Ending number of units	38 872	28 486



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	4 953	(4 007)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	4 953	(4 007)
Related amounts not set-off	(3 892)	3 892
Collateral (received) pledged	(384)	–
Net amount	677	(115)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	677	(1 091)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	677	(1 091)
Related amounts not set-off	(14)	14
Collateral (received) pledged	–	1 077
Net amount	663	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT BALANCED PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
19 556 378	BlueBay European High Yield Bond Fund (Canada)*	\$ 195 773	\$ 186 906	
62 881 941	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	641 116	617 281	
94 391 509	BlueBay Global Monthly Income Bond Fund*	976 150	910 000	
38 936 808	BlueBay Global Sovereign Bond Fund (Canada)*	391 649	391 957	
77 469 196	Phillips, Hager & North Canadian Equity Underlying Fund*	794 568	806 671	
102 969 659	Phillips, Hager & North Canadian Equity Underlying Fund II*	949 104	873 543	
6 789 856	Phillips, Hager & North Total Return Bond Fund*	79 754	75 189	
106 730 126	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	1 615 000	1 712 752	
68 333 941	RBC Asia Pacific ex-Japan Equity Fund*	753 441	791 710	
896 845 255	RBC Bond Fund*	6 053 001	6 032 450	
24 791 232	RBC Canadian Dividend Fund*	1 457 323	1 664 525	
14 969 411	RBC Emerging Markets Dividend Fund*	171 184	184 109	
65 843 579	RBC Emerging Markets Equity Fund*	862 889	1 096 217	
13 709 357	RBC Emerging Markets Small-Cap Equity Fund*	168 150	188 295	
81 968 915	RBC European Equity Fund*	1 653 708	1 655 625	
32 452 271	RBC European Mid-Cap Equity Fund*	370 359	330 494	
117 314 286	RBC Global Bond Fund*	1 291 652	1 286 023	
315 294 750	RBC Global Corporate Bond Fund*	3 103 218	3 002 900	
61 247 186	RBC Global Dividend Growth Fund*	790 931	889 689	
56 603 706	RBC Global Equity Focus Fund*	714 060	884 048	
32 596 549	RBC Global High Yield Bond Fund*	348 731	328 488	
31 704 323	RBC Japanese Equity Fund*	343 910	363 845	
72 873 032	RBC Private Canadian Equity Pool*	1 762 291	1 679 439	
27 775 542	RBC Private U.S. Large-Cap Core Equity Pool*	602 578	632 780	
96 672 290	RBC QUBE Canadian Equity Fund*	1 066 573	1 022 522	
109 526 611	RBC QUBE U.S. Equity Fund*	1 495 364	1 585 288	
22 374 969	RBC U.S. Dividend Fund*	581 677	636 950	
10 383 892	RBC U.S. Equity Fund*	297 774	325 523	
8 483 645	RBC U.S. Mid-Cap Growth Equity Fund*	216 458	327 603	
25 869 472	RBC U.S. Mid-Cap Value Equity Fund*	362 913	298 927	
TOTAL UNDERLYING FUNDS		30 111 299	30 781 749	99.0
SHORT-TERM INVESTMENTS[†]		334 048	334 048	1.1
TOTAL INVESTMENTS		30 445 347	31 115 797	100.1
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)		—	2 277	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)		—	(4 973)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	5 891	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	(179)	—
TOTAL PORTFOLIO		\$30 445 347	31 118 813	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(29 516)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$31 089 297	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts		Contracted Value	Unrealized Gain
(235)	The S&P 500 Mini Index Future, March 2019		
	Contracts at USD 2 647.15 per contract	\$ (41 724)	\$ 2 277
		<u>\$ (41 724)</u>	<u>\$ 2 277</u>
Number of Contracts		Contracted Value	Unrealized Loss
1 918	Mini MSCI EAFE Index Future, March 2019		
	Contracts at USD 1 749.12 per contract	\$ 224 395	\$ (4 336)
7	Mini MSCI Emerging Markets Index Future, March 2019		
	Contracts at USD 974.60 per contract	456	(4)
133	The S&P/TSX 60 Index Future, March 2019		
	Contracts at CAD 881.10 per contract	23 437	(633)
		<u>\$ 248 288</u>	<u>\$ (4 973)</u>
		<u>\$ 206 564</u>	<u>\$ (2 696)</u>
TOTAL FUTURES			

\$25 950 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 3 075 Sold USD 2 252 @ 1.3657	03-Jan-2019	\$ 1
Bought USD 1 550 Sold CAD 2 031 @ 0.7630	05-Feb-2019	83
Bought USD 678 Sold CAD 886 @ 0.7655	05-Feb-2019	39
Bought USD 121 Sold CAD 159 @ 0.7605	05-Feb-2019	6
Bought USD 141 979 Sold CAD 187 885 @ 0.7557	05-Feb-2019	5 762
		<u>\$ 5 891</u>
Contracts	Maturity Date	Unrealized Loss
Bought CAD 760 Sold USD 575 @ 1.3211	05-Feb-2019	\$ (25)
Bought CAD 1 051 Sold USD 787 @ 1.3360	05-Feb-2019	(22)
Bought CAD 5 279 Sold USD 3 890 @ 1.3571	05-Feb-2019	(27)
Bought CAD 7 444 Sold USD 5 539 @ 1.3440	18-Mar-2019	(103)
Bought USD 2 251 Sold CAD 3 069 @ 0.7334	18-Mar-2019	(2)
		<u>\$ (179)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ 5 712</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.58% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 31 115 797	\$ 28 200 161
Cash	4 703	2 712
Due from investment dealers	8 000	–
Subscriptions receivable	18 343	24 595
Unrealized gain on futures contracts	2 277	46
Futures contracts margin receivable	2 626	–
Unrealized gain on foreign exchange contracts	5 891	749
Dividends receivable, interest accrued and other assets	301	287
TOTAL ASSETS	31 157 938	28 228 550
LIABILITIES		
Due to investment dealers	–	18 000
Redemptions payable	16 716	11 226
Unrealized loss on futures contracts	4 973	2 191
Unrealized loss on foreign exchange contracts	179	25
Distributions payable	1 718	1 047
Accounts payable and accrued expenses	45 055	42 399
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	68 641	74 888
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 31 089 297	\$ 28 153 662
Investments at cost	\$ 30 445 347	\$ 25 301 972
NAV		
SERIES A	\$ 24 913 187	\$ 24 759 947
ADVISOR SERIES	\$ 139 409	\$ 127 611
SERIES T5	\$ 207 233	\$ 196 613
SERIES F	\$ 5 216 993	\$ 2 638 820
SERIES FT5	\$ 249 312	\$ 126 654
SERIES O	\$ 363 163	\$ 304 017
NAV PER UNIT		
SERIES A	\$ 25.49	\$ 27.23
ADVISOR SERIES	\$ 25.86	\$ 27.61
SERIES T5	\$ 22.64	\$ 24.72
SERIES F	\$ 26.80	\$ 28.53
SERIES FT5	\$ 25.38	\$ 27.44
SERIES O	\$ 27.23	\$ 29.06

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 5 714	\$ 4 754
Income from investment trusts	1 480 884	1 211 221
Derivative income	(3 593)	2 566
Net realized gain (loss) on investments	142 697	18 772
Change in unrealized gain (loss) on investments	(2 222 751)	1 345 192
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(597 049)	2 582 505
Net gain (loss) on foreign cash balances	241	(21)
TOTAL OTHER INCOME (LOSS)	241	(21)
TOTAL INCOME (LOSS)	(596 808)	2 582 484
EXPENSES (see notes – Fund Specific Information)		
Management fees	467 287	404 859
Administration fees	15 249	12 620
Independent Review Committee costs	2	3
GST/HST	48 513	41 794
TOTAL EXPENSES	531 051	459 276
INCREASE (DECREASE) IN NAV	\$ (1 127 859)	\$ 2 123 208
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (937 315)	\$ 1 925 268
ADVISOR SERIES	\$ (5 198)	\$ 9 890
SERIES T5	\$ (8 251)	\$ 15 687
SERIES F	\$ (162 003)	\$ 138 723
SERIES FT5	\$ (7 787)	\$ 6 760
SERIES O	\$ (7 305)	\$ 26 880
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.00)	\$ 2.21
ADVISOR SERIES	\$ (1.05)	\$ 2.27
SERIES T5	\$ (0.97)	\$ 2.04
SERIES F	\$ (1.08)	\$ 2.55
SERIES FT5	\$ (1.06)	\$ 2.53
SERIES O	\$ (0.62)	\$ 2.85



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 127 859)	\$ 2 123 208
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 480 884)	(1 211 221)
Net realized loss (gain) on investments	(142 697)	(18 772)
Change in unrealized loss (gain) on investments	2 222 751	(1 345 192)
(Increase) decrease in accrued receivables	(2 245)	(165)
Increase (decrease) in accrued payables	5 438	9 254
(Increase) decrease in margin accounts	(2 626)	905
Cost of investments purchased	(13 313 901)	(15 584 423)
Proceeds from sale and maturity of investments	9 768 107	12 428 629
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(4 073 916)	(3 597 777)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	7 792 945	6 355 606
Cash paid on redemption of redeemable units	(3 661 348)	(2 734 406)
Distributions paid to holders of redeemable units	(55 690)	(21 808)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 4 075 907	\$ 3 599 392
Net increase (decrease) in cash for the period	1 991	1 615
Cash (bank overdraft), beginning of period	2 712	1 097
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 4 703	\$ 2 712
Interest received (paid)	\$ 5 700	\$ 4 621
Dividends received, net of withholding taxes	\$ —	\$ —



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 24 759 947	\$ 21 185 655	\$ 127 611	\$ 110 721	\$ 196 613	\$ 181 601	\$ 2 638 820	\$ 683 497
INCREASE (DECREASE) IN NAV	(937 315)	1 925 268	(5 198)	9 890	(8 251)	15 687	(162 003)	138 723
Early redemption fees	34	20	—	—	1	2	2	—
Proceeds from redeemable units issued	5 871 081	5 258 484	40 575	29 189	116 953	81 795	3 393 381	2 011 448
Reinvestments of distributions to holders of redeemable units	703 958	389 393	3 649	1 849	2 737	2 274	143 320	35 740
Redemption of redeemable units	(4 778 020)	(3 608 065)	(23 328)	(22 044)	(90 234)	(75 550)	(617 359)	(184 766)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 797 053	2 039 832	20 896	8 994	29 457	8 521	2 919 344	1 862 422
Distributions from net income	(214 607)	(167 233)	(1 183)	(853)	(1 734)	(1 507)	(77 218)	(22 911)
Distributions from net gains	(491 891)	(223 575)	(2 717)	(1 141)	(3 980)	(1 731)	(101 950)	(22 911)
Distributions from capital	—	—	—	—	(4 872)	(5 958)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(706 498)	(390 808)	(3 900)	(1 994)	(10 586)	(9 196)	(179 168)	(45 822)
NET INCREASE (DECREASE) IN NAV	153 240	3 574 292	11 798	16 890	10 620	15 012	2 578 173	1 955 323
NAV AT END OF PERIOD	\$ 24 913 187	\$ 24 759 947	\$ 139 409	\$ 127 611	\$ 207 233	\$ 196 613	\$ 5 216 993	\$ 2 638 820

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 126 654	\$ 33 175	\$ 304 017	\$ 235 251	\$ 28 153 662	\$ 22 429 900
INCREASE (DECREASE) IN NAV	(7 787)	6 760	(7 305)	26 880	(1 127 859)	2 123 208
Early redemption fees	—	1	—	—	37	23
Proceeds from redeemable units issued	187 679	98 074	103 432	73 637	9 713 101	7 552 627
Reinvestments of distributions to holders of redeemable units	765	293	15 966	5 840	870 395	435 389
Redemption of redeemable units	(47 681)	(7 976)	(36 661)	(31 547)	(5 593 283)	(3 929 948)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	140 763	90 392	82 737	47 930	4 990 250	4 058 091
Distributions from net income	(3 491)	(1 321)	(9 299)	(3 369)	(307 532)	(197 194)
Distributions from net gains	(4 757)	(1 080)	(6 987)	(2 675)	(612 282)	(253 113)
Distributions from capital	(2 070)	(1 272)	—	—	(6 942)	(7 230)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 318)	(3 673)	(16 286)	(6 044)	(926 756)	(457 537)
NET INCREASE (DECREASE) IN NAV	122 658	93 479	59 146	68 766	2 935 635	5 723 762
NAV AT END OF PERIOD	\$ 249 312	\$ 126 654	\$ 363 163	\$ 304 017	\$ 31 089 297	\$ 28 153 662

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth and modest income.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 39.8% (December 31, 2017 – 39.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	13.3	14.8
AA	30.7	27.4
A	17.5	19.4
BBB	24.6	23.9
BB	5.7	6.3
B	5.6	5.9
CCC	0.8	0.7
Unrated	1.8	1.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	41.3	39.1
International Equity Funds	20.5	20.9
Canadian Equity Funds	19.5	19.6
United States Equity Funds	17.7	18.8
Cash/Other	1.0	1.6
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 41.3% (December 31, 2017 – 39.1%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	2.9	2.3
1 – 5 years	36.6	35.8
5 – 10 years	31.3	31.5
> 10 years	29.2	30.4
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.8% (December 31, 2017 – 2.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	23.3	24.1
Euro	3.5	3.9
Pound sterling	2.5	2.8
Hong Kong dollar	1.6	1.2
Japanese yen	1.5	1.7
Swiss franc	1.2	1.1
Indian rupee	1.0	0.8
South African rand	0.8	0.7
Brazilian real	0.7	–
South Korean won	0.7	0.9
New Taiwan dollar	0.7	0.6
Indonesian rupiah	0.6	–
Other currencies	4.0	3.4
Total	42.1	41.2

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.1% (December 31, 2017 – 2.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.4

Please see the generic notes at the back of the financial statements.



December 31, 2018

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	30 781 749	–	–	30 781 749
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	334 048	–	334 048
Derivatives – assets	2 277	5 891	–	8 168
Derivatives – liabilities	(4 973)	(179)	–	(5 152)
Total financial instruments	30 779 053	339 760	–	31 118 813
% of total portfolio	98.9	1.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	27 685 743	–	–	27 685 743
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	514 418	–	514 418
Derivatives – assets	46	749	–	795
Derivatives – liabilities	(2 191)	(25)	–	(2 216)
Total financial instruments	27 683 598	515 142	–	28 198 740
% of total portfolio	98.2	1.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.67%	0.05%
Advisor Series	1.67%	0.05%
Series T5	1.67%	0.05%
Series F	0.80%	0.05%
Series FT5	0.80%	0.05%
Series O	n/a [†]	0.02%

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended December 31, 2018.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
(see note 8 in the generic notes)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	44	42
Series O	148	142
Value of all units	5	5



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	0.6	32.4	0.7	32.7
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.0	29.2	1.8	28.3
BlueBay Global Monthly Income Bond Fund	2.9	52.3	2.7	45.8
BlueBay Global Sovereign Bond Fund (Canada)	1.3	27.2	1.2	26.3
Phillips, Hager & North Canadian Equity Underlying Fund	2.6	32.2	3.1	32.8
Phillips, Hager & North Canadian Equity Underlying Fund II	2.8	46.7	2.6	44.0
Phillips, Hager & North Total Return Bond Fund	0.2	0.9	0.7	2.4
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	5.5	34.1	6.0	31.6
RBC Asia Pacific ex-Japan Equity Fund	2.5	36.7	2.3	32.6
RBC Bond Fund	19.4	30.3	18.0	27.3
RBC Canadian Dividend Fund	5.4	9.8	5.3	8.0
RBC Emerging Markets Dividend Fund	0.6	18.0	0.6	20.0
RBC Emerging Markets Equity Fund	3.5	25.1	3.4	25.6
RBC Emerging Markets Small-Cap Equity Fund	0.6	32.7	0.5	28.4
RBC European Equity Fund	5.3	27.2	7.2	28.9
RBC European Mid-Cap Equity Fund	1.1	58.9	—	—
RBC Global Bond Fund	4.1	16.8	3.9	16.1
RBC Global Corporate Bond Fund	9.7	28.1	9.1	25.9
RBC Global Dividend Growth Fund	2.9	29.7	2.8	28.2
RBC Global Equity Focus Fund	2.8	25.7	2.9	27.3

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Global High Yield Bond Fund	1.1	9.2	1.0	7.4
RBC Japanese Equity Fund	1.2	29.3	1.2	26.5
RBC Private Canadian Equity Pool	5.4	37.5	5.4	34.7
RBC Private U.S. Large-Cap Core Equity Pool	2.0	28.2	2.2	27.4
RBC QUBE Canadian Equity Fund	3.3	62.8	3.2	60.1
RBC QUBE U.S. Equity Fund	5.1	44.8	5.3	41.2
RBC U.S. Dividend Fund	2.0	15.8	2.1	15.0
RBC U.S. Equity Fund	1.0	17.1	1.1	15.4
RBC U.S. Mid-Cap Growth Equity Fund	1.1	37.8	1.1	38.2
RBC U.S. Mid-Cap Value Equity Fund	1.0	49.5	1.0	43.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)		2018	2017
Series A			
Opening units		909 287	832 369
Issued number of units		215 416	198 230
Reinvested number of units		28 175	14 251
Redeemed number of units		(175 638)	(135 563)
Ending number of units		977 240	909 287
Advisor Series			
Opening units		4 623	4 292
Issued number of units		1 470	1 080
Reinvested number of units		144	67
Redeemed number of units		(845)	(816)
Ending number of units		5 392	4 623
Series T5			
Opening units		7 953	7 605
Issued number of units		4 820	3 348
Reinvested number of units		114	93
Redeemed number of units		(3 735)	(3 093)
Ending number of units		9 152	7 953
Series F			
Opening units		92 507	25 836
Issued number of units		118 368	72 047
Reinvested number of units		5 457	1 249
Redeemed number of units		(21 702)	(6 625)
Ending number of units		194 630	92 507

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	4 617	1 264
Issued number of units	6 973	3 639
Reinvested number of units	29	11
Redeemed number of units	(1 795)	(297)
Ending number of units	9 824	4 617
Series O		
Opening units	10 464	8 787
Issued number of units	3 528	2 587
Reinvested number of units	598	200
Redeemed number of units	(1 255)	(1 110)
Ending number of units	13 335	10 464

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	8 168	(5 152)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	8 168	(5 152)
Related amounts not set-off	(2 324)	2 324
Collateral (received) pledged	–	2 696
Net amount	5 844	(132)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	795	(2 216)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	795	(2 216)
Related amounts not set-off	(52)	52
Collateral (received) pledged	–	2 145
Net amount	743	(19)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT GROWTH PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
4 282 741	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	\$ 43 793	\$ 42 042	
18 004 395	BlueBay Global Monthly Income Bond Fund*	186 301	173 575	
12 791 595	BlueBay Global Sovereign Bond Fund (Canada)*	128 796	128 767	
38 214 104	Phillips, Hager & North Canadian Equity Underlying Fund*	388 946	397 916	
13 867 424	Phillips, Hager & North Canadian Equity Underlying Fund II*	126 625	117 644	
11 419 557	Phillips, Hager & North Canadian Growth Fund*	364 599	389 004	
7 554 432	Phillips, Hager & North Total Return Bond Fund*	88 166	83 656	
36 960 411	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	543 193	593 122	
21 840 090	RBC Asia Pacific ex-Japan Equity Fund*	234 884	253 037	
139 747 972	RBC Bond Fund*	946 019	939 987	
5 785 464	RBC Canadian Dividend Fund*	343 625	388 446	
8 422 344	RBC Emerging Markets Dividend Fund*	94 859	103 586	
25 143 896	RBC Emerging Markets Equity Fund*	321 237	418 616	
7 903 276	RBC Emerging Markets Small-Cap Equity Fund*	95 688	108 550	
28 911 879	RBC European Equity Fund*	570 698	583 968	
14 146 347	RBC European Mid-Cap Equity Fund*	163 736	144 066	
31 527 313	RBC Global Bond Fund*	346 913	345 609	
71 891 591	RBC Global Corporate Bond Fund*	707 797	684 702	
28 516 878	RBC Global Dividend Growth Fund*	355 228	414 242	
26 372 889	RBC Global Equity Focus Fund*	314 318	411 897	
14 055 710	RBC Japanese Equity Fund*	152 470	161 306	
25 094 878	RBC Private Canadian Equity Pool*	607 938	578 339	
12 076 669	RBC Private U.S. Large-Cap Core Equity Pool*	262 431	275 129	
26 769 975	RBC QUBE Canadian Equity Fund*	292 292	283 151	
32 332 946	RBC QUBE U.S. Equity Fund*	436 683	467 987	
9 771 873	RBC U.S. Dividend Fund*	250 895	278 177	
4 618 333	RBC U.S. Equity Fund*	129 184	144 779	
2 397 493	RBC U.S. Mid-Cap Growth Equity Fund*	58 328	92 581	
7 436 923	RBC U.S. Mid-Cap Value Equity Fund*	105 463	85 935	
TOTAL UNDERLYING FUNDS		8 661 105	9 089 816	99.0
SHORT-TERM INVESTMENTS[†]		102 309	102 309	1.1
TOTAL INVESTMENTS		8 763 414	9 192 125	100.1
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)		—	1 618	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)		—	(1 641)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	2 594	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	(525)	—
TOTAL PORTFOLIO		<u>\$ 8 763 414</u>	9 194 171	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(13 348)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 9 180 823</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
(167) The S&P 500 Mini Index Future, March 2019		
Contracts at USD 2 647.15 per contract	\$ (29 651)	\$ 1 618
	<u>\$ (29 651)</u>	<u>\$ 1 618</u>

Number of Contracts	Contracted Value	Unrealized Loss
726 Mini MSCI EAFE Index Future, March 2019		
Contracts at USD 1 749.12 per contract	\$ 84 938	\$ (1 641)
	<u>\$ 84 938</u>	<u>\$ (1 641)</u>
TOTAL FUTURES	<u>\$ 55 287</u>	<u>\$ (23)</u>

\$9 150 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 775 Sold USD 567 @ 1.3657	03-Jan-2019	\$ —
Bought USD 700 Sold CAD 917 @ 0.7630	05-Feb-2019	37
Bought USD 62 989 Sold CAD 83 355 @ 0.7557	05-Feb-2019	2 557
Bought USD 567 Sold CAD 773 @ 0.7334	18-Mar-2019	—
		<u>\$ 2 594</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 3 576 Sold USD 2 723 @ 1.3133	05-Feb-2019	\$ (138)
Bought CAD 477 Sold USD 365 @ 1.3064	05-Feb-2019	(21)
Bought CAD 103 Sold USD 78 @ 1.3211	05-Feb-2019	(3)
Bought CAD 128 Sold USD 97 @ 1.3149	05-Feb-2019	(5)
Bought CAD 224 Sold USD 168 @ 1.3360	05-Feb-2019	(5)
Bought CAD 1 030 Sold USD 759 @ 1.3571	05-Feb-2019	(5)
Bought CAD 10 854 Sold USD 8 076 @ 1.3440	18-Mar-2019	(151)
Bought CAD 12 096 Sold USD 9 000 @ 1.3440	18-Mar-2019	(170)
Bought CAD 1 947 Sold USD 1 449 @ 1.3439	18-Mar-2019	(27)
		<u>\$ (525)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ 2 069</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.60% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 9 192 125	\$ 8 734 460
Cash	1 145	882
Subscriptions receivable	5 859	6 482
Unrealized gain on futures contracts	1 618	22
Unrealized gain on foreign exchange contracts	2 594	262
Dividends receivable, interest accrued and other assets	72	111
TOTAL ASSETS	9 203 413	8 742 219
LIABILITIES		
Due to investment dealers	—	4 000
Redemptions payable	5 862	4 202
Unrealized loss on futures contracts	1 641	751
Futures contracts margin payable	156	—
Unrealized loss on foreign exchange contracts	525	9
Distributions payable	90	56
Accounts payable and accrued expenses	14 316	14 124
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	22 590	23 142
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 9 180 823	\$ 8 719 077
Investments at cost	\$ 8 763 414	\$ 7 541 200
NAV		
SERIES A	\$ 7 712 799	\$ 7 911 048
ADVISOR SERIES	\$ 63 077	\$ 67 480
SERIES T5	\$ 13 613	\$ 14 262
SERIES F	\$ 1 264 505	\$ 622 441
SERIES FT5	\$ 13 757	\$ 5 803
SERIES O	\$ 113 072	\$ 98 043
NAV PER UNIT		
SERIES A	\$ 27.56	\$ 29.64
ADVISOR SERIES	\$ 28.09	\$ 30.22
SERIES T5	\$ 23.95	\$ 26.33
SERIES F	\$ 27.55	\$ 29.55
SERIES FT5	\$ 26.41	\$ 28.73
SERIES O	\$ 28.45	\$ 30.60

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 1 353	\$ 1 485
Income from investment trusts	464 316	383 328
Derivative income	(1 209)	355
Net realized gain (loss) on investments	70 850	22 403
Change in unrealized gain (loss) on investments	(762 733)	548 613
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(227 423)	956 184
Net gain (loss) on foreign cash balances	62	(2)
TOTAL OTHER INCOME (LOSS)	62	(2)
TOTAL INCOME (LOSS)	(227 361)	956 182
EXPENSES (see notes – Fund Specific Information)		
Management fees	152 411	136 447
Administration fees	4 616	3 991
Independent Review Committee costs	2	3
GST/HST	15 468	13 820
TOTAL EXPENSES	172 497	154 261
INCREASE (DECREASE) IN NAV	\$ (399 858)	\$ 801 921
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (343 361)	\$ 744 645
ADVISOR SERIES	\$ (2 830)	\$ 6 643
SERIES T5	\$ (660)	\$ 1 296
SERIES F	\$ (49 524)	\$ 38 608
SERIES FT5	\$ (541)	\$ 481
SERIES O	\$ (2 942)	\$ 10 248
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.27)	\$ 2.84
ADVISOR SERIES	\$ (1.27)	\$ 2.91
SERIES T5	\$ (1.21)	\$ 2.51
SERIES F	\$ (1.41)	\$ 3.12
SERIES FT5	\$ (1.47)	\$ 2.68
SERIES O	\$ (0.84)	\$ 3.53

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (399 858)	\$ 801 921
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(464 316)	(383 328)
Net realized loss (gain) on investments	(70 850)	(22 403)
Change in unrealized loss (gain) on investments	762 733	(548 613)
(Increase) decrease in accrued receivables	(1 557)	(92)
Increase (decrease) in accrued payables	1 082	2 702
(Increase) decrease in margin accounts	156	360
Cost of investments purchased	(3 433 122)	(3 790 417)
Proceeds from sale and maturity of investments	2 742 074	3 328 962
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(863 658)	(610 908)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 926 387	1 529 283
Cash paid on redemption of redeemable units	(1 055 919)	(915 246)
Distributions paid to holders of redeemable units	(6 547)	(2 617)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 863 921	\$ 611 420
Net increase (decrease) in cash for the period	263	512
Cash (bank overdraft), beginning of period	882	370
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 145	\$ 882
Interest received (paid)	\$ 1 392	\$ 1 409
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 911 048	\$ 6 990 245	\$ 67 480	\$ 66 257	\$ 14 262	\$ 13 850	\$ 622 441	\$ 158 037
INCREASE (DECREASE) IN NAV	(343 361)	744 645	(2 830)	6 643	(660)	1 296	(49 524)	38 608
Early redemption fees	6	5	—	—	—	—	—	6
Proceeds from redeemable units issued	1 589 023	1 334 125	9 725	5 107	7 452	5 903	815 137	462 351
Reinvestments of distributions to holders of redeemable units	218 908	93 187	1 690	739	293	247	39 751	11 699
Redemption of redeemable units	(1 443 669)	(1 157 848)	(11 193)	(10 479)	(7 021)	(6 392)	(118 264)	(34 765)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	364 268	269 469	222	(4 633)	724	(242)	736 624	439 291
Distributions from net income	(38 563)	(23 460)	(322)	(197)	(66)	(50)	(15 529)	(8 154)
Distributions from net gains	(180 593)	(69 851)	(1 473)	(590)	(320)	(119)	(29 507)	(5 341)
Distributions from capital	—	—	—	—	(327)	(473)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(219 156)	(93 311)	(1 795)	(787)	(713)	(642)	(45 036)	(13 495)
NET INCREASE (DECREASE) IN NAV	(198 249)	920 803	(4 403)	1 223	(649)	412	642 064	464 404
NAV AT END OF PERIOD	\$ 7 712 799	\$ 7 911 048	\$ 63 077	\$ 67 480	\$ 13 613	\$ 14 262	\$ 1 264 505	\$ 622 441

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 803	\$ 530	\$ 98 043	\$ 76 169	\$ 8 719 077	\$ 7 305 088
INCREASE (DECREASE) IN NAV	(541)	481	(2 942)	10 248	(399 858)	801 921
Early redemption fees	—	2	—	—	6	13
Proceeds from redeemable units issued	14 181	10 050	32 905	20 535	2 468 423	1 838 071
Reinvestments of distributions to holders of redeemable units	79	19	5 245	3 045	265 966	108 936
Redemption of redeemable units	(5 215)	(5 027)	(14 882)	(8 872)	(1 600 244)	(1 223 383)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	9 045	5 044	23 268	14 708	1 134 151	723 637
Distributions from net income	(151)	(74)	(2 677)	(2 226)	(57 308)	(34 161)
Distributions from net gains	(280)	(55)	(2 620)	(856)	(214 793)	(76 812)
Distributions from capital	(119)	(123)	—	—	(446)	(596)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(550)	(252)	(5 297)	(3 082)	(272 547)	(111 569)
NET INCREASE (DECREASE) IN NAV	7 954	5 273	15 029	21 874	461 746	1 413 989
NAV AT END OF PERIOD	\$ 13 757	\$ 5 803	\$ 113 072	\$ 98 043	\$ 9 180 823	\$ 8 719 077

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 24.8% (December 31, 2017 – 23.8%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	16.0	17.6
AA	28.5	25.6
A	19.7	21.3
BBB	24.2	23.8
BB	4.7	5.0
B	4.5	4.6
CCC	0.7	0.6
Unrated	1.7	1.5
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
International Equity Funds	28.3	28.6
Income Funds	26.2	23.8
Canadian Equity Funds	23.4	23.7
United States Equity Funds	21.1	22.3
Cash/Other	1.0	1.6
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 26.1% (December 31, 2017 – 23.8%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	2.3	2.2
1 – 5 years	37.7	36.6
5 – 10 years	30.6	31.5
> 10 years	29.4	29.7
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.8% (December 31, 2017 – 1.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	29.0	29.6
Euro	4.5	5.0
Pound sterling	3.4	3.8
Japanese yen	2.3	2.4
Hong Kong dollar	2.1	1.6
Swiss franc	1.5	1.5
Indian rupee	1.3	1.1
South African rand	1.0	1.0
South Korean won	0.9	1.2
New Taiwan dollar	0.9	0.9
Brazilian real	0.6	–
Indonesian rupiah	0.5	–
Australian dollar	–	0.5
Other currencies	3.1	3.5
Total	51.1	52.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 2.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.5

Please see the generic notes at the back of the financial statements.



December 31, 2018

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	9 089 816	–	–	9 089 816
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	102 309	–	102 309
Derivatives – assets	1 618	2 594	–	4 212
Derivatives – liabilities	(1 641)	(525)	–	(2 166)
Total financial instruments	9 089 793	104 378	–	9 194 171
% of total portfolio	98.9	1.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	8 576 295	–	–	8 576 295
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	158 165	–	158 165
Derivatives – assets	22	262	–	284
Derivatives – liabilities	(751)	(9)	–	(760)
Total financial instruments	8 575 566	158 418	–	8 733 984
% of total portfolio	98.2	1.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.76%	0.05%
Advisor Series	1.76%	0.05%
Series T5	1.76%	0.05%
Series F	0.85%	0.05%
Series FT5	0.85%	0.05%
Series O	n/a [†]	0.02%

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended December 31, 2018.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties
(see note 8 in the generic notes)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	43	41
Series O	148	141
Value of all units	5	6



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	0.5	2.0	0.4	2.0
BlueBay Global Monthly Income Bond Fund	1.9	10.0	1.7	8.8
BlueBay Global Sovereign Bond Fund (Canada)	1.4	8.9	1.2	8.6
Phillips, Hager & North Canadian Equity Underlying Fund	4.3	15.9	5.0	16.2
Phillips, Hager & North Canadian Equity Underlying Fund II	1.3	6.3	0.9	4.7
Phillips, Hager & North Canadian Growth Fund	4.2	58.6	4.2	55.9
Phillips, Hager & North Total Return Bond Fund	0.9	1.0	1.0	1.0
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	6.5	11.8	7.0	11.4
RBC Asia Pacific ex-Japan Equity Fund	2.8	11.7	2.6	11.4
RBC Bond Fund	10.2	4.7	9.3	4.4
RBC Canadian Dividend Fund	4.2	2.3	4.2	1.9
RBC Emerging Markets Dividend Fund	1.1	10.1	1.2	12.6
RBC Emerging Markets Equity Fund	4.6	9.6	4.4	10.2
RBC Emerging Markets Small-Cap Equity Fund	1.2	18.8	1.0	17.7
RBC European Equity Fund	6.4	9.6	8.9	11.1
RBC European Mid-Cap Equity Fund	1.6	25.7	—	—
RBC Global Bond Fund	3.8	4.5	3.4	4.3
RBC Global Corporate Bond Fund	7.5	6.4	6.8	5.9
RBC Global Dividend Growth Fund	4.5	13.8	4.4	13.8
RBC Global Equity Focus Fund	4.5	12.0	4.4	13.1
RBC Japanese Equity Fund	1.8	13.0	1.7	12.0

Please see the generic notes at the back of the financial statements.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private Canadian Equity Pool	6.3	12.9	6.3	12.7
RBC Private U.S. Large-Cap Core Equity Pool	3.0	12.3	3.2	12.4
RBC QUBE Canadian Equity Fund	3.1	17.4	3.1	17.8
RBC QUBE U.S. Equity Fund	5.1	13.2	5.3	12.7
RBC U.S. Dividend Fund	3.0	6.9	3.1	6.9
RBC U.S. Equity Fund	1.6	7.6	1.6	7.0
RBC U.S. Mid-Cap Growth Equity Fund	1.0	10.7	1.1	11.8
RBC U.S. Mid-Cap Value Equity Fund	0.9	14.2	1.0	13.3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)		2018	2017
Series A			
Opening units		266 894	257 460
Issued number of units		53 441	46 799
Reinvested number of units		8 143	3 130
Redeemed number of units		(48 573)	(40 495)
Ending number of units		279 905	266 894
Advisor Series			
Opening units		2 233	2 394
Issued number of units		321	175
Reinvested number of units		62	24
Redeemed number of units		(370)	(360)
Ending number of units		2 246	2 233
Series T5			
Opening units		542	554
Issued number of units		285	227
Reinvested number of units		11	10
Redeemed number of units		(270)	(249)
Ending number of units		568	542
Series F			
Opening units		21 063	5 837
Issued number of units		27 347	16 032
Reinvested number of units		1 480	394
Redeemed number of units		(3 988)	(1 200)
Ending number of units		45 902	21 063



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	202	20
Issued number of units	503	356
Reinvested number of units	3	1
Redeemed number of units	(187)	(175)
Ending number of units	521	202
Series O		
Opening units	3 204	2 716
Issued number of units	1 064	690
Reinvested number of units	189	99
Redeemed number of units	(482)	(301)
Ending number of units	3 975	3 204

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	4 212	(2 166)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	4 212	(2 166)
Related amounts not set-off	(1 791)	1 791
Collateral (received) pledged	–	23
Net amount	2 421	(352)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	284	(760)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	284	(760)
Related amounts not set-off	(24)	24
Collateral (received) pledged	–	729
Net amount	260	(7)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT AGGRESSIVE GROWTH PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
8 285 391	Phillips, Hager & North Canadian Equity Underlying Fund*	\$ 85 030	\$ 86 274	
7 249 696	Phillips, Hager & North Canadian Equity Underlying Fund II*	68 440	61 503	
3 585 830	Phillips, Hager & North Canadian Growth Fund*	120 002	122 150	
11 388 483	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	171 039	182 757	
6 012 818	RBC Asia Pacific ex-Japan Equity Fund*	66 155	69 664	
1 476 419	RBC Canadian Dividend Fund*	89 428	99 129	
2 710 131	RBC Emerging Markets Dividend Fund*	31 722	33 332	
7 989 445	RBC Emerging Markets Equity Fund*	108 975	133 015	
2 511 922	RBC Emerging Markets Small-Cap Equity Fund*	31 063	34 501	
9 788 316	RBC European Equity Fund*	198 841	197 706	
6 713 278	RBC European Mid-Cap Equity Fund*	74 829	68 368	
6 468 603	RBC Global Dividend Growth Fund*	80 419	93 964	
5 998 120	RBC Global Equity Focus Fund*	73 581	93 680	
3 709 331	RBC Japanese Equity Fund*	40 471	42 569	
6 939 123	RBC Private Canadian Equity Pool*	169 214	159 920	
3 428 474	RBC Private U.S. Large-Cap Core Equity Pool*	75 083	78 107	
11 359 152	RBC QUBE Canadian Equity Fund*	125 789	120 148	
10 737 145	RBC QUBE U.S. Equity Fund*	148 760	155 409	
2 720 850	RBC U.S. Dividend Fund*	70 863	77 455	
1 293 636	RBC U.S. Equity Fund*	36 574	40 554	
773 917	RBC U.S. Mid-Cap Growth Equity Fund*	20 186	29 885	
2 420 882	RBC U.S. Mid-Cap Value Equity Fund*	33 520	27 974	
TOTAL UNDERLYING FUNDS		1 919 984	2 008 064	99.5
SHORT-TERM INVESTMENTS†		12 131	12 131	0.6
TOTAL INVESTMENTS		1 932 115	2 020 195	100.1
UNREALIZED GAIN ON FUTURES CONTRACTS (SCHEDULE A)		—	107	—
UNREALIZED LOSS ON FUTURES CONTRACTS (SCHEDULE A)		—	(76)	—
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	5	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE B)		—	(78)	—
TOTAL PORTFOLIO		<u>\$ 1 932 115</u>	2 020 153	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(2 201)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 2 017 952</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Futures Contracts

Number of Contracts	Contracted Value	Unrealized Gain
(11) The S&P 500 Mini Index Future, March 2019		
Contracts at USD 2 647.15 per contract	\$ (1 953)	\$ 107
	\$ (1 953)	\$ 107
Number of Contracts	Contracted Value	Unrealized Loss
16 The S&P/TSX 60 Index Future, March 2019		
Contracts at CAD 881.10 per contract	\$ 2 820	\$ (76)
	\$ 2 820	\$ (76)
TOTAL FUTURES	\$ 867	\$ 31

\$1 500 Government of Canada Treasury Bills are held as collateral by counterparties with respect to the above futures contracts.

SCHEDULE B

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 40 Sold CAD 54 @ 0.7322	03-Jan-2019	\$ —
Bought CAD 11 Sold USD 8 @ 1.3149	05-Feb-2019	—
Bought USD 55 Sold CAD 72 @ 0.7630	05-Feb-2019	4
Bought USD 17 Sold CAD 23 @ 0.7485	05-Feb-2019	—
Bought USD 106 Sold CAD 144 @ 0.7369	05-Feb-2019	1
Bought CAD 55 Sold USD 40 @ 1.3635	18-Mar-2019	—
Bought USD 25 Sold CAD 34 @ 0.7441	18-Mar-2019	—
		\$ 5
Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 959 Sold USD 1 492 @ 1.3133	05-Feb-2019	\$ (76)
Bought CAD 42 Sold USD 32 @ 1.3064	05-Feb-2019	(2)
		\$ (78)
TOTAL FOREIGN EXCHANGE		\$ (73)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.12% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 020 195	\$ 1 892 523
Cash	144	93
Subscriptions receivable	2 189	2 181
Unrealized gain on futures contracts	107	45
Unrealized gain on foreign exchange contracts	5	–
Dividends receivable, interest accrued and other assets	17	12
TOTAL ASSETS	2 022 657	1 894 854
LIABILITIES		
Due to investment dealers	–	2 000
Redemptions payable	1 172	1 411
Unrealized loss on futures contracts	76	–
Futures contracts margin payable	29	–
Unrealized loss on foreign exchange contracts	78	37
Distributions payable	14	11
Accounts payable and accrued expenses	3 336	3 212
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 705	6 671
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 017 952	\$ 1 888 183
Investments at cost	\$ 1 932 115	\$ 1 587 931
NAV		
SERIES A	\$ 1 727 317	\$ 1 708 200
ADVISOR SERIES	\$ 23 242	\$ 26 411
SERIES T5	\$ 3 876	\$ 3 879
SERIES F	\$ 223 740	\$ 115 144
SERIES FT5	\$ 1 556	\$ 1 375
SERIES O	\$ 38 221	\$ 33 174
NAV PER UNIT		
SERIES A	\$ 11.36	\$ 12.45
ADVISOR SERIES	\$ 11.24	\$ 12.33
SERIES T5	\$ 9.84	\$ 10.97
SERIES F	\$ 12.13	\$ 13.27
SERIES FT5	\$ 11.62	\$ 12.81
SERIES O	\$ 12.54	\$ 13.77

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 253	\$ 149
Income from investment trusts	115 014	92 610
Derivative income	269	748
Net realized gain (loss) on investments	21 572	4 394
Change in unrealized gain (loss) on investments	(216 548)	144 397
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(79 440)	242 298
Net gain (loss) on foreign cash balances	(16)	(5)
TOTAL OTHER INCOME (LOSS)	(16)	(5)
TOTAL INCOME (LOSS)	(79 456)	242 293
EXPENSES (see notes – Fund Specific Information)		
Management fees	35 654	30 176
Administration fees	1 016	842
Independent Review Committee costs	2	3
GST/HST	3 529	2 967
TOTAL EXPENSES	40 201	33 988
INCREASE (DECREASE) IN NAV	\$ (119 657)	\$ 208 305
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (103 714)	\$ 191 639
ADVISOR SERIES	\$ (1 348)	\$ 3 217
SERIES T5	\$ (226)	\$ 388
SERIES F	\$ (12 652)	\$ 9 147
SERIES FT5	\$ (68)	\$ 92
SERIES O	\$ (1 649)	\$ 3 822
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.72)	\$ 1.45
ADVISOR SERIES	\$ (0.66)	\$ 1.43
SERIES T5	\$ (0.60)	\$ 1.22
SERIES F	\$ (0.90)	\$ 1.70
SERIES FT5	\$ (0.61)	\$ 1.82
SERIES O	\$ (0.60)	\$ 1.87

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (119 657)	\$ 208 305
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(115 014)	(92 610)
Net realized loss (gain) on investments	(21 572)	(4 394)
Change in unrealized loss (gain) on investments	216 548	(144 397)
(Increase) decrease in accrued receivables	(67)	(49)
Increase (decrease) in accrued payables	200	658
(Increase) decrease in margin accounts	29	(10)
Cost of investments purchased	(919 214)	(845 151)
Proceeds from sale and maturity of investments	709 616	695 656
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(249 131)	(181 992)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	550 414	425 632
Cash paid on redemption of redeemable units	(299 811)	(243 308)
Distributions paid to holders of redeemable units	(1 421)	(379)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 249 182	\$ 181 945
Net increase (decrease) in cash for the period	51	(47)
Cash (bank overdraft), beginning of period	93	140
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 144	\$ 93
Interest received (paid)	\$ 248	\$ 144
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 708 200	\$ 1 412 173	\$ 26 411	\$ 26 892	\$ 3 879	\$ 3 527	\$ 115 144	\$ 32 124
INCREASE (DECREASE) IN NAV	(103 714)	191 639	(1 348)	3 217	(226)	388	(12 652)	9 147
Early redemption fees	6	5	—	—	—	—	—	—
Proceeds from redeemable units issued	469 728	383 926	1 867	1 182	2 577	2 244	153 156	80 181
Reinvestments of distributions to holders of redeemable units	56 182	15 194	691	213	106	102	8 027	1 991
Redemption of redeemable units	(346 838)	(279 530)	(3 610)	(4 856)	(2 253)	(2 220)	(30 800)	(6 057)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	179 078	119 595	(1 052)	(3 461)	430	126	130 383	76 115
Distributions from net income	(2 790)	(1 629)	(40)	(25)	(6)	(4)	(2 306)	(1 311)
Distributions from net gains	(53 457)	(13 578)	(729)	(212)	(118)	(30)	(6 829)	(931)
Distributions from capital	—	—	—	—	(83)	(128)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(56 247)	(15 207)	(769)	(237)	(207)	(162)	(9 135)	(2 242)
NET INCREASE (DECREASE) IN NAV	19 117	296 027	(3 169)	(481)	(3)	352	108 596	83 020
NAV AT END OF PERIOD	\$ 1 727 317	\$ 1 708 200	\$ 23 242	\$ 26 411	\$ 3 876	\$ 3 879	\$ 223 740	\$ 115 144

For the periods ended December 31 (see note 2 in the generic notes)	Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 375	\$ 53	\$ 33 174	\$ 22 872	\$ 1 888 183	\$ 1 497 641
INCREASE (DECREASE) IN NAV	(68)	92	(1 649)	3 822	(119 657)	208 305
Early redemption fees	—	—	—	—	6	5
Proceeds from redeemable units issued	2 586	1 613	16 657	10 935	646 571	480 081
Reinvestments of distributions to holders of redeemable units	14	—	2 026	964	67 046	18 464
Redemption of redeemable units	(2 277)	(351)	(9 949)	(4 452)	(395 727)	(297 466)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	323	1 262	8 734	7 447	317 896	201 084
Distributions from net income	(18)	(8)	(853)	(711)	(6 013)	(3 688)
Distributions from net gains	(48)	(9)	(1 185)	(256)	(62 366)	(15 016)
Distributions from capital	(8)	(15)	—	—	(91)	(143)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(74)	(32)	(2 038)	(967)	(68 470)	(18 847)
NET INCREASE (DECREASE) IN NAV	181	1 322	5 047	10 302	129 769	390 542
NAV AT END OF PERIOD	\$ 1 556	\$ 1 375	\$ 38 221	\$ 33 174	\$ 2 017 952	\$ 1 888 183

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equity Funds	37.9	36.4
Canadian Equity Funds	32.2	32.3
United States Equity Funds	29.4	30.5
Cash/Other	0.5	0.8
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	37.3	38.9
Euro	6.8	6.6
Pound sterling	5.0	4.9
Hong Kong dollar	2.9	2.1
Japanese yen	2.7	2.5
Swiss franc	2.2	2.0
Indian rupee	1.8	1.4
South Korean won	1.3	1.6
New Taiwan dollar	1.3	1.2
South African rand	1.2	1.3
Brazilian real	0.7	—
Indonesian rupiah	0.6	0.5
Swedish krona	0.6	0.5
Australian dollar	0.5	0.5
Danish krone	0.5	0.5
Other currencies	1.7	2.6
Total	67.1	67.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.4% (December 31, 2017 – 3.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.8	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	2 008 064	—	—	2 008 064
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	12 131	—	12 131
Derivatives – assets	107	5	—	112
Derivatives – liabilities	(76)	(78)	—	(154)
Total financial instruments	2 008 095	12 058	—	2 020 153
% of total portfolio	99.4	0.6	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	1 873 562	—	—	1 873 562
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	18 961	—	18 961
Derivatives – assets	45	—	—	45
Derivatives – liabilities	—	(37)	—	(37)
Total financial instruments	1 873 607	18 924	—	1 892 531
% of total portfolio	99.0	1.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.86%	0.05%
Advisor Series	1.85%	0.05%
Series T5	1.85%	0.05%
Series F	0.90%	0.05%
Series FT5	0.90%	0.05%
Series O	n/a [†]	0.02%

* Management fees for Series A, Advisor Series and Series T5 units represent the actual average management fee rate for the period ended December 31, 2018.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	102	96
Series O	170	161
Value of all units	3	3

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Equity Underlying Fund	4.3	3.4	5.0	3.5
Phillips, Hager & North Canadian Equity Underlying Fund II	3.0	3.3	2.3	2.6
Phillips, Hager & North Canadian Growth Fund	6.1	18.4	6.0	17.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	9.1	3.6	9.6	3.4
RBC Asia Pacific ex-Japan Equity Fund	3.5	3.2	3.1	3.0
RBC Canadian Dividend Fund	4.9	0.6	5.0	0.5
RBC Emerging Markets Dividend Fund	1.7	3.3	1.6	3.6
RBC Emerging Markets Equity Fund	6.6	3.0	6.3	3.1
RBC Emerging Markets Small-Cap Equity Fund	1.7	6.0	1.6	6.0
RBC European Equity Fund	9.8	3.2	12.4	3.4
RBC European Mid-Cap Equity Fund	3.4	12.2	—	—
RBC Global Dividend Growth Fund	4.7	3.1	4.7	3.2
RBC Global Equity Focus Fund	4.6	2.7	4.6	3.0
RBC Japanese Equity Fund	2.1	3.4	2.1	3.2
RBC Private Canadian Equity Pool	7.9	3.6	8.0	3.5
RBC Private U.S. Large-Cap Core Equity Pool	3.9	3.5	4.1	3.4
RBC QUBE Canadian Equity Fund	6.0	7.4	6.0	7.6
RBC QUBE U.S. Equity Fund	7.7	4.4	8.0	4.1
RBC U.S. Dividend Fund	3.8	1.9	4.0	1.9
RBC U.S. Equity Fund	2.0	2.1	2.0	1.9
RBC U.S. Mid-Cap Growth Equity Fund	1.5	3.4	1.4	3.3
RBC U.S. Mid-Cap Value Equity Fund	1.4	4.6	1.4	4.3

Please see the generic notes at the back of the financial statements.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	137 231	127 087
Issued number of units	37 464	32 560
Reinvested number of units	5 113	1 214
Redeemed number of units	(27 691)	(23 630)
Ending number of units	152 117	137 231
Advisor Series		
Opening units	2 142	2 442
Issued number of units	151	101
Reinvested number of units	64	17
Redeemed number of units	(289)	(418)
Ending number of units	2 068	2 142
Series T5		
Opening units	354	346
Issued number of units	240	210
Reinvested number of units	10	10
Redeemed number of units	(210)	(212)
Ending number of units	394	354
Series F		
Opening units	8 675	2 710
Issued number of units	11 390	6 289
Reinvested number of units	684	149
Redeemed number of units	(2 308)	(473)
Ending number of units	18 441	8 675
Series FT5		
Opening units	107	5
Issued number of units	203	131
Reinvested number of units	1	–
Redeemed number of units	(177)	(29)
Ending number of units	134	107
Series O		
Opening units	2 410	1 861
Issued number of units	1 190	816
Reinvested number of units	167	70
Redeemed number of units	(719)	(337)
Ending number of units	3 048	2 410

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	112	(154)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	112	(154)
Related amounts not set-off	(80)	80
Collateral (received) pledged	(29)	–
Net amount	2	(74)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	45	(37)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	45	(37)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	45	(37)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT CHOICES CONSERVATIVE PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
207 803	BlueBay European High Yield Bond Fund (Canada)*	\$ 2 166	\$ 1 986	
368 572	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	3 830	3 618	
428 552	BlueBay Global Sovereign Bond Fund (Canada)*	4 332	4 315	
101 488	CI American Value Fund	2 852	4 567	
52 330	Franklin Bissett Canadian Equity Fund	6 373	7 216	
65 078	Invesco International Growth Class	864	1 837	
708 109	Invesco International Growth Fund	6 203	6 131	
814 688	Phillips, Hager & North Short Term Bond & Mortgage Fund*	8 170	8 048	
1 237 038	Phillips, Hager & North Total Return Bond Fund*	13 875	13 699	
275 189	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	4 085	4 416	
2 009 589	RBC Bond Fund*	13 165	13 517	
107 282	RBC Canadian Dividend Fund*	6 158	7 203	
373 874	RBC Canadian Equity Fund*	8 196	7 241	
69 004	RBC Canadian Money Market Fund*	690	690	
513 898	RBC Global Bond Fund*	5 573	5 633	
1 006 636	RBC Global Corporate Bond Fund*	9 975	9 587	
403 719	RBC Global High Yield Bond Fund*	4 423	4 068	
368 895	RBC O'Shaughnessy U.S. Value Fund*	4 750	4 422	
696 294	Renaissance International Equity Fund	5 778	8 015	
1 885 294	TD Canadian Bond Fund	19 984	19 907	
TOTAL UNDERLYING FUNDS		131 442	136 116	99.6
SHORT-TERM INVESTMENTS†		737	737	0.5
TOTAL INVESTMENTS		<u>\$ 132 179</u>	136 853	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(186)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 136 667</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 136 853	\$ 157 321
Cash	50	51
Due from investment dealers	—	500
Subscriptions receivable	8	34
Dividends receivable, interest accrued and other assets	—	3
TOTAL ASSETS	136 911	157 909
LIABILITIES		
Redemptions payable	28	41
Accounts payable and accrued expenses	216	253
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	244	294
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 136 667	\$ 157 615
Investments at cost	\$ 132 179	\$ 141 242
NAV		
SERIES A	\$ 124 314	\$ 147 230
ADVISOR SERIES	\$ 1 614	\$ 1 636
SERIES F	\$ 10 739	\$ 8 749
NAV PER UNIT		
SERIES A	\$ 11.91	\$ 12.84
ADVISOR SERIES	\$ 11.96	\$ 12.89
SERIES F	\$ 9.56	\$ 10.24

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 40	\$ 41
Income from investment trusts	5 833	5 360
Net realized gain (loss) on investments	3 569	5 699
Change in unrealized gain (loss) on investments	(11 405)	(314)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 963)	10 786
TOTAL INCOME (LOSS)	(1 963)	10 786
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 404	2 736
Administration fees	76	81
Independent Review Committee costs	2	3
GST/HST	271	309
TOTAL EXPENSES	2 753	3 129
INCREASE (DECREASE) IN NAV	\$ (4 716)	\$ 7 657
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (4 401)	\$ 7 265
ADVISOR SERIES	\$ (52)	\$ 73
SERIES F	\$ (263)	\$ 319
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.41)	\$ 0.60
ADVISOR SERIES	\$ (0.39)	\$ 0.57
SERIES F	\$ (0.28)	\$ 0.57

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (4 716)	\$ 7 657
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(5 833)	(5 360)
Net realized loss (gain) on investments	(3 569)	(5 699)
Change in unrealized loss (gain) on investments	11 405	314
(Increase) decrease in accrued receivables	3	(2)
Increase (decrease) in accrued payables	(37)	(21)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(147 312)	(132 326)
Proceeds from sale and maturity of investments	166 277	154 250
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	16 218	18 813
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	11 824	9 336
Cash paid on redemption of redeemable units	(27 777)	(28 046)
Distributions paid to holders of redeemable units	(266)	(150)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (16 219)	\$ (18 860)
Net increase (decrease) in cash for the period	(1)	(47)
Cash (bank overdraft), beginning of period	51	98
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 50	\$ 51
Interest received (paid)	\$ 43	\$ 39
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 147 230	\$ 163 458	\$ 1 636	\$ 1 745	\$ 8 749	\$ 3 448	\$ 157 615	\$ 168 651
INCREASE (DECREASE) IN NAV	(4 401)	7 265	(52)	73	(263)	319	(4 716)	7 657
Early redemption fees	1	1	—	—	—	—	1	1
Proceeds from redeemable units issued	8 574	8 130	768	489	5 006	5 716	14 348	14 335
Reinvestments of distributions to holders of redeemable units	4 887	4 243	60	44	260	176	5 207	4 463
Redemption of redeemable units	(27 031)	(31 577)	(734)	(668)	(2 550)	(634)	(30 315)	(32 879)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(13 569)	(19 203)	94	(135)	2 716	5 258	(10 759)	(14 080)
Distributions from net income	(977)	(466)	(13)	(5)	(110)	(46)	(1 100)	(517)
Distributions from net gains	(3 969)	(3 824)	(51)	(42)	(353)	(230)	(4 373)	(4 096)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 946)	(4 290)	(64)	(47)	(463)	(276)	(5 473)	(4 613)
NET INCREASE (DECREASE) IN NAV	(22 916)	(16 228)	(22)	(109)	1 990	5 301	(20 948)	(11 036)
NAV AT END OF PERIOD	\$ 124 314	\$ 147 230	\$ 1 614	\$ 1 636	\$ 10 739	\$ 8 749	\$ 136 667	\$ 157 615

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide income and the potential for moderate capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 61.7% (December 31, 2017 – 58.3%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	23.4	34.9
AA	27.3	31.8
A	18.0	15.6
BBB	21.6	14.3
BB	4.1	0.8
B	3.7	0.4
CCC	0.4	–
Unrated	1.5	2.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	61.8	58.3
Canadian Equity Funds	16.4	15.6
International Equity Funds	11.7	11.5
United States Equity Funds	9.7	10.9
Cash/Other	0.4	3.7
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 51.7% (December 31, 2017 – 58.4%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	4.2	4.5
1 – 5 years	42.0	47.7
5 – 10 years	27.7	23.2
> 10 years	26.1	24.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.1% (December 31, 2017 – 3.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	7.6	8.9
Euro	3.1	2.4
Japanese yen	2.0	2.0
Pound sterling	1.7	2.0
Hong Kong dollar	1.0	1.0
Swiss franc	0.9	1.0
Brazilian real	0.5	–
Danish krone	–	0.5
Other currencies	4.3	1.7
Total	21.1	19.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.1% (December 31, 2017 – 1.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.3	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	136 116	–	–	136 116
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	737	–	737
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	136 116	737	–	136 853
% of total portfolio	99.5	0.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	152 687	–	–	152 687
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	4 634	–	4 634
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	152 687	4 634	–	157 321
% of total portfolio	97.1	2.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.69%	0.05%
Advisor Series	1.69%	0.05%
Series F	0.95%	0.05%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	110	106
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	1.5	0.3	–	–
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.6	0.2	–	–
BlueBay Global Sovereign Bond Fund (Canada)	3.2	0.3	–	–
Phillips, Hager & North Short Term Bond & Mortgage Fund	5.9	0.1	13.5	0.3
Phillips, Hager & North Total Return Bond Fund	10.0	0.2	15.7	0.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.2	0.1	3.6	0.1
RBC Bond Fund	9.9	0.1	15.7	0.1

Please see the generic notes at the back of the financial statements.



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian				
Dividend Fund	5.3	–	5.2	–
RBC Canadian Equity Fund	5.3	0.3	5.2	0.3
RBC Canadian Money				
Market Fund	0.5	–	0.6	0.1
RBC Global Bond Fund	4.1	0.1	–	–
RBC Global Corporate				
Bond Fund	7.0	0.1	–	–
RBC Global High Yield				
Bond Fund	3.0	0.1	–	–
RBC O'Shaughnessy				
U.S. Value Fund	3.2	0.4	3.7	0.3

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
CI American Value Fund	3.3	0.8	3.6	1.1
Franklin Bissett Canadian				
Equity Fund	5.4	0.2	5.2	0.3
Invesco International				
Growth Class	1.3	0.3	2.0	0.5
Invesco International				
Growth Fund	4.5	1.4	3.7	1.3
Renaissance International				
Equity Fund	5.8	2.2	5.8	3.2
TD Canadian Bond Fund	14.6	0.1	13.4	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	11 469	12 950
Issued number of units	675	630
Reinvested number of units	416	330
Redeemed number of units	(2 122)	(2 441)
Ending number of units	10 438	11 469

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	127	138
Issued number of units	60	37
Reinvested number of units	5	3
Redeemed number of units	(57)	(51)
Ending number of units	135	127
Series F		
Opening units	855	345
Issued number of units	493	554
Reinvested number of units	28	17
Redeemed number of units	(252)	(61)
Ending number of units	1 124	855



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC SELECT CHOICES BALANCED PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
155 853	BlueBay European High Yield Bond Fund (Canada)*	\$ 1 624	\$ 1 490	
584 057	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	6 051	5 733	
740 365	BlueBay Global Monthly Income Bond Fund*	7 737	7 138	
435 553	BlueBay Global Sovereign Bond Fund (Canada)*	4 404	4 384	
440 659	CI American Value Fund	11 373	19 832	
98 663	Franklin Bissett Canadian Equity Fund	11 879	13 605	
138 596	IA Clarington Canadian Small Cap Fund	8 336	9 132	
275 434	Invesco International Growth Class	3 547	7 776	
1 389 322	Invesco International Growth Fund	12 144	12 029	
638 452	Phillips, Hager & North High Yield Bond Fund*	7 115	7 007	
1 070 197	Phillips, Hager & North Short Term Bond & Mortgage Fund*	10 748	10 572	
2 044 108	Phillips, Hager & North Total Return Bond Fund*	23 115	22 636	
621 475	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	9 131	9 973	
3 532 942	RBC Bond Fund*	23 308	23 764	
238 673	RBC Canadian Dividend Fund*	13 505	16 025	
983 587	RBC Canadian Equity Fund*	21 383	19 049	
149 515	RBC Canadian Money Market Fund*	1 495	1 495	
132 897	RBC Emerging Markets Dividend Fund*	1 989	1 634	
594 378	RBC Emerging Markets Equity Fund*	7 114	9 896	
131 738	RBC Emerging Markets Small-Cap Equity Fund*	1 969	1 809	
695 828	RBC Global Bond Fund*	7 546	7 628	
3 011 293	RBC Global Corporate Bond Fund*	29 828	28 680	
169 685	RBC Global High Yield Bond Fund*	1 843	1 710	
1 562 283	RBC O'Shaughnessy U.S. Value Fund*	19 767	18 727	
1 728 255	Renaissance International Equity Fund	13 933	19 894	
296 639	TD U.S. Mid-Cap Growth Fund	5 689	9 693	
TOTAL UNDERLYING FUNDS		266 573	291 311	99.5
SHORT-TERM INVESTMENTS†		3 269	3 269	1.1
TOTAL INVESTMENTS		<u>\$ 269 842</u>	<u>294 580</u>	100.6
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(1 730)	(0.6)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 292 850</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.14% to 2.25% and mature between January 14, 2019 and January 24, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 294 580	\$ 322 788
Cash	91	96
Subscriptions receivable	218	43
Dividends receivable, interest accrued and other assets	1	1
TOTAL ASSETS	294 890	322 928
LIABILITIES		
Due to investment dealers	1 500	–
Redemptions payable	48	143
Accounts payable and accrued expenses	492	573
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 040	716
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 292 850	\$ 322 212
Investments at cost	\$ 269 842	\$ 264 789
NAV		
SERIES A	\$ 252 580	\$ 302 756
ADVISOR SERIES	\$ 1 998	\$ 1 816
SERIES F	\$ 38 272	\$ 17 640
NAV PER UNIT		
SERIES A	\$ 13.10	\$ 14.47
ADVISOR SERIES	\$ 13.09	\$ 14.46
SERIES F	\$ 10.00	\$ 11.04

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 59	\$ 61
Income from investment trusts	15 237	11 889
Net realized gain (loss) on investments	10 920	12 346
Change in unrealized gain (loss) on investments	(33 261)	6 693
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 045)	30 989
TOTAL INCOME (LOSS)	(7 045)	30 989
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 551	5 936
Administration fees	151	157
Independent Review Committee costs	2	3
GST/HST	596	640
TOTAL EXPENSES	6 300	6 736
INCREASE (DECREASE) IN NAV	\$ (13 345)	\$ 24 253
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (12 234)	\$ 23 297
ADVISOR SERIES	\$ (101)	\$ 136
SERIES F	\$ (1 010)	\$ 820
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.63)	\$ 1.08
ADVISOR SERIES	\$ (0.74)	\$ 1.07
SERIES F	\$ (0.43)	\$ 0.92

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (13 345)	\$ 24 253
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(15 237)	(11 889)
Net realized loss (gain) on investments	(10 920)	(12 346)
Change in unrealized loss (gain) on investments	33 261	(6 693)
(Increase) decrease in accrued receivables	—	(1)
Increase (decrease) in accrued payables	(81)	3
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(200 864)	(159 949)
Proceeds from sale and maturity of investments	223 468	187 288
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	16 282	20 666
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	32 484	24 420
Cash paid on redemption of redeemable units	(48 308)	(44 964)
Distributions paid to holders of redeemable units	(463)	(117)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (16 287)	\$ (20 661)
Net increase (decrease) in cash for the period	(5)	5
Cash (bank overdraft), beginning of period	96	91
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 91	\$ 96
Interest received (paid)	\$ 59	\$ 60
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 302 756	\$ 311 622	\$ 1 816	\$ 1 923	\$ 17 640	\$ 4 939	\$ 322 212	\$ 318 484
INCREASE (DECREASE) IN NAV	(12 234)	23 297	(101)	136	(1 010)	820	(13 345)	24 253
Early redemption fees	—	1	—	—	—	—	—	1
Proceeds from redeemable units issued	19 366	21 287	1 103	468	26 177	13 832	46 646	35 587
Reinvestments of distributions to holders of redeemable units	12 760	8 031	88	42	1 529	385	14 377	8 458
Redemption of redeemable units	(57 275)	(53 421)	(807)	(704)	(4 118)	(1 871)	(62 200)	(55 996)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(25 149)	(24 102)	384	(194)	23 588	12 346	(1 177)	(11 950)
Distributions from net income	(586)	—	(5)	—	(410)	—	(1 001)	—
Distributions from net gains	(12 207)	(8 061)	(96)	(49)	(1 536)	(465)	(13 839)	(8 575)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(12 793)	(8 061)	(101)	(49)	(1 946)	(465)	(14 840)	(8 575)
NET INCREASE (DECREASE) IN NAV	(50 176)	(8 866)	182	(107)	20 632	12 701	(29 362)	3 728
NAV AT END OF PERIOD	\$ 252 580	\$ 302 756	\$ 1 998	\$ 1 816	\$ 38 272	\$ 17 640	\$ 292 850	\$ 322 212

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth and modest income.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 41.2% (December 31, 2017 – 38.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	17.6	32.8
AA	23.9	28.8
A	17.3	12.3
BBB	24.1	12.4
BB	6.7	5.6
B	7.4	4.2
CCC	0.7	1.6
Unrated	2.3	2.3
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	41.2	39.4
Canadian Equity Funds	20.2	19.8
United States Equity Funds	19.9	20.6
International Equity Funds	18.2	17.8
Cash/Other	0.5	2.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 41.3% (December 31, 2017 – 38.9%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	3.7	4.0
1 – 5 years	43.8	48.6
5 – 10 years	27.3	24.8
> 10 years	25.2	22.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.5% (December 31, 2017 – 2.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	15.2	16.2
Euro	3.6	2.8
Japanese yen	2.4	2.3
Pound sterling	2.2	2.6
Hong Kong dollar	1.9	1.7
Swiss franc	1.1	1.1
Brazilian real	0.8	0.5
New Taiwan dollar	0.8	0.6
South African rand	0.7	0.6
South Korean won	0.6	0.7
Indian rupee	0.5	–
Danish krone	0.5	0.5
Australian dollar	–	0.5
Other currencies	4.2	2.2
Total	34.5	32.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.7% (December 31, 2017 – 1.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Please see the generic notes at the back of the financial statements.



December 31, 2018

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	291 311	–	–	291 311
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 269	–	3 269
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	291 311	3 269	–	294 580
% of total portfolio	98.9	1.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	314 378	–	–	314 378
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	8 410	–	8 410
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	314 378	8 410	–	322 788
% of total portfolio	97.4	2.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees
(see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.87%	0.05%
Advisor Series	1.87%	0.05%
Series F	1.00%	0.05%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

Investments by related parties
(\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	110	104
Value of all units	1	1

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	0.5	0.3	–	–
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	2.0	0.3	–	–
BlueBay Global Monthly Income Bond Fund	2.4	0.4	–	–
BlueBay Global Sovereign Bond Fund (Canada)	1.5	0.3	–	–
Phillips, Hager & North High Yield Bond Fund	2.4	0.2	4.3	0.3

Please see the generic notes at the back of the financial statements.



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Short Term Bond & Mortgage Fund	3.6	0.2	9.0	0.5
Phillips, Hager & North Total Return Bond Fund	7.7	0.3	12.7	0.5
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	3.4	0.2	3.4	0.2
RBC Bond Fund	8.1	0.1	12.9	0.2
RBC Canadian Dividend Fund	5.5	0.1	5.4	0.1
RBC Canadian Equity Fund	6.5	0.9	6.5	0.8
RBC Canadian Money Market Fund	0.5	0.1	0.5	0.1
RBC Emerging Markets Dividend Fund	0.6	0.2	—	—
RBC Emerging Markets Equity Fund	3.4	0.2	4.4	0.4
RBC Emerging Markets Small-Cap Equity Fund	0.6	0.3	—	—
RBC Global Bond Fund	2.6	0.1	—	—
RBC Global Corporate Bond Fund	9.8	0.3	—	—
RBC Global High Yield Bond Fund	0.6	—	—	—
RBC O'Shaughnessy U.S. Value Fund	6.4	1.5	6.9	1.3

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
CI American Value Fund	6.7	3.5	6.8	4.3
Franklin Bissett Canadian Equity Fund	4.7	0.4	4.7	0.5
IA Clarington Canadian Small Cap Fund	3.2	0.9	3.2	1.0
Invesco International Growth Class	2.7	1.3	3.4	1.7
Invesco International Growth Fund	4.1	2.8	3.3	2.4
Renaissance International Equity Fund	6.7	5.4	6.7	7.5
TD U.S. Mid-Cap Growth Fund	3.3	0.6	3.4	0.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	20 919	22 597
Issued number of units	1 347	1 492
Reinvested number of units	994	554
Redeemed number of units	(3 974)	(3 724)
Ending number of units	19 286	20 919

Advisor Series

Opening units	126	140
Issued number of units	76	32
Reinvested number of units	7	3
Redeemed number of units	(56)	(49)
Ending number of units	153	126

Series F

Opening units	1 597	474
Issued number of units	2 449	1 257
Reinvested number of units	156	35
Redeemed number of units	(376)	(169)
Ending number of units	3 826	1 597



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC SELECT CHOICES GROWTH PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
51 951	BlueBay European High Yield Bond Fund (Canada)*	\$ 541	\$ 497	
145 205	BlueBay Global Investment Grade Corporate Bond Fund (Canada)*	1 487	1 425	
510 519	BlueBay Global Monthly Income Bond Fund*	5 340	4 922	
359 741	BlueBay Global Sovereign Bond Fund (Canada)*	3 637	3 621	
246 267	CI American Value Fund	5 950	11 083	
473 428	Fidelity Canadian Disciplined Equity Fund	16 470	20 563	
115 939	IA Clarington Canadian Small Cap Fund	7 033	7 639	
686 147	Invesco European Growth Class	9 734	12 703	
329 145	Invesco International Growth Class	4 140	9 293	
945 678	Invesco International Growth Fund	8 336	8 188	
259 586	Phillips, Hager & North Canadian Growth Fund*	7 964	8 843	
671 521	Phillips, Hager & North High Yield Bond Fund*	7 596	7 370	
241 697	Phillips, Hager & North Total Return Bond Fund*	2 728	2 676	
1 359 414	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	19 392	21 815	
3 519 090	RBC Bond Fund*	23 650	23 670	
1 105 411	RBC Canadian Equity Fund*	24 351	21 409	
138 187	RBC Canadian Money Market Fund*	1 382	1 382	
230 460	RBC Emerging Markets Dividend Fund*	3 415	2 834	
682 748	RBC Emerging Markets Equity Fund*	8 361	11 367	
214 937	RBC Emerging Markets Small-Cap Equity Fund*	3 222	2 952	
698 403	RBC Global Bond Fund*	7 574	7 657	
1 273 389	RBC Global Corporate Bond Fund*	12 598	12 129	
264 928	RBC Global High Yield Bond Fund*	2 901	2 670	
364 088	RBC Japanese Equity Fund*	4 976	4 178	
868 319	RBC O'Shaughnessy U.S. Value Fund*	11 176	10 408	
760 749	Renaissance International Equity Fund	5 893	8 757	
141 608	TD Asian Growth Fund	2 024	2 802	
522 029	TD U.S. Mid-Cap Growth Fund	9 658	17 058	
TOTAL UNDERLYING FUNDS		221 529	249 911	99.8
SHORT-TERM INVESTMENTS†		993	993	0.4
TOTAL INVESTMENTS		<u>\$ 222 522</u>	<u>250 904</u>	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(414)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 250 490</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.14% and mature between January 2, 2019 and January 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 250 904	\$ 278 019
Cash	71	76
Subscriptions receivable	60	215
Dividends receivable, interest accrued and other assets	–	1
TOTAL ASSETS	251 035	278 311
LIABILITIES		
Redemptions payable	78	40
Accounts payable and accrued expenses	467	541
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	545	581
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 250 490	\$ 277 730
Investments at cost	\$ 222 522	\$ 216 071
NAV		
SERIES A	\$ 219 426	\$ 261 082
ADVISOR SERIES	\$ 582	\$ 675
SERIES F	\$ 30 482	\$ 15 973
NAV PER UNIT		
SERIES A	\$ 13.89	\$ 15.60
ADVISOR SERIES	\$ 13.87	\$ 15.58
SERIES F	\$ 10.43	\$ 11.58

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 55	\$ 55
Income from investment trusts	13 817	11 069
Net realized gain (loss) on investments	12 474	9 161
Change in unrealized gain (loss) on investments	(33 566)	11 959
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 220)	32 244
TOTAL INCOME (LOSS)	(7 220)	32 244
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 337	5 473
Administration fees	134	135
Independent Review Committee costs	2	3
GST/HST	549	563
Withholding tax	–	(25)
TOTAL EXPENSES	6 022	6 149
INCREASE (DECREASE) IN NAV	\$ (13 242)	\$ 26 095
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (11 853)	\$ 25 160
ADVISOR SERIES	\$ (33)	\$ 68
SERIES F	\$ (1 356)	\$ 867
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.75)	\$ 1.47
ADVISOR SERIES	\$ (0.76)	\$ 1.48
SERIES F	\$ (0.63)	\$ 1.19

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (13 242)	\$ 26 095
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(13 817)	(11 069)
Net realized loss (gain) on investments	(12 474)	(9 161)
Change in unrealized loss (gain) on investments	33 566	(11 959)
(Increase) decrease in accrued receivables	1	(1)
Increase (decrease) in accrued payables	(74)	37
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(168 287)	(155 761)
Proceeds from sale and maturity of investments	188 127	169 329
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	13 800	7 510
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	23 711	26 552
Cash paid on redemption of redeemable units	(37 264)	(34 012)
Distributions paid to holders of redeemable units	(252)	(45)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (13 805)	\$ (7 505)
Net increase (decrease) in cash for the period	(5)	5
Cash (bank overdraft), beginning of period	76	71
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 71	\$ 76
Interest received (paid)	\$ 56	\$ 54
Dividends received, net of withholding taxes	\$ —	\$ 25

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 261 082	\$ 254 121	\$ 675	\$ 688	\$ 15 973	\$ 3 979	\$ 277 730	\$ 258 788
INCREASE (DECREASE) IN NAV	(11 853)	25 160	(33)	68	(1 356)	867	(13 242)	26 095
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	20 274	23 598	100	81	18 175	11 283	38 549	34 962
Reinvestments of distributions to holders of redeemable units	13 090	5 524	35	14	1 565	307	14 690	5 845
Redemption of redeemable units	(50 062)	(41 790)	(160)	(162)	(2 073)	(118)	(52 295)	(42 070)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(16 698)	(12 668)	(25)	(67)	17 667	11 472	944	(1 263)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	(13 105)	(5 531)	(35)	(14)	(1 802)	(345)	(14 942)	(5 890)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(13 105)	(5 531)	(35)	(14)	(1 802)	(345)	(14 942)	(5 890)
NET INCREASE (DECREASE) IN NAV	(41 656)	6 961	(93)	(13)	14 509	11 994	(27 240)	18 942
NAV AT END OF PERIOD	\$ 219 426	\$ 261 082	\$ 582	\$ 675	\$ 30 482	\$ 15 973	\$ 250 490	\$ 277 730

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 26.6% (December 31, 2017 – 23.8%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	14.3	18.9
AA	25.0	35.5
A	15.7	12.5
BBB	21.9	13.2
BB	9.4	9.4
B	11.0	7.5
CCC	0.8	2.8
Unrated	1.9	0.2
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	27.2	24.4
International Equity Funds	25.2	23.6
United States Equity Funds	24.1	25.7
Canadian Equity Funds	23.2	23.7
Cash/Other	0.3	2.6
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 26.6% (December 31, 2017 – 23.8%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	2.7	1.9
1 – 5 years	40.8	39.1
5 – 10 years	30.1	30.0
> 10 years	26.4	29.0
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.7% (December 31, 2017 – 1.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	22.2	23.7
Euro	5.2	3.7
Pound sterling	3.5	3.9
Japanese yen	3.2	1.3
Hong Kong dollar	2.3	2.8
Swiss franc	1.2	1.2
New Taiwan dollar	1.1	1.0
South Korean won	0.9	1.3
Indian rupee	0.9	0.9
Brazilian real	0.8	0.5
South African rand	0.8	0.9
Australian dollar	0.5	0.8
Other currencies	3.7	3.3
Total	46.3	45.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.3% (December 31, 2017 – 2.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.6

Please see the generic notes at the back of the financial statements.



December 31, 2018

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	249 911	–	–	249 911
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	993	–	993
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	249 911	993	–	250 904
% of total portfolio	99.6	0.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	270 503	–	–	270 503
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 516	–	7 516
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	270 503	7 516	–	278 019
% of total portfolio	97.3	2.7	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	2.06%	0.05%
Advisor Series	2.06%	0.05%
Series F	1.05%	0.05%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	109	102
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
BlueBay European High Yield Bond Fund (Canada)	0.2	0.1	–	–
BlueBay Global Investment Grade Corporate Bond Fund (Canada)	0.6	0.1	–	–
BlueBay Global Monthly Income Bond Fund	2.0	0.3	–	–
BlueBay Global Sovereign Bond Fund (Canada)	1.4	0.3	–	–
Phillips, Hager & North Canadian Growth Fund	3.5	1.3	3.6	1.5

Please see the generic notes at the back of the financial statements.



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North High Yield Bond Fund	2.9	0.2	4.7	0.3
Phillips, Hager & North Total Return Bond Fund	1.1	–	4.7	0.2
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	8.7	0.4	9.2	0.5
RBC Bond Fund	9.4	0.1	14.5	0.2
RBC Canadian Equity Fund	8.5	1.0	8.8	1.0
RBC Canadian Money Market Fund	0.6	0.1	0.5	0.1
RBC Emerging Markets Dividend Fund	1.1	0.3	–	–
RBC Emerging Markets Equity Fund	4.5	0.3	6.4	0.5
RBC Emerging Markets Small-Cap Equity Fund	1.2	0.5	–	–
RBC Global Bond Fund	3.1	0.1	–	–
RBC Global Corporate Bond Fund	4.8	0.1	–	–
RBC Global High Yield Bond Fund	1.1	0.1	–	–
RBC Japanese Equity Fund	1.7	0.3	–	–
RBC O'Shaughnessy U.S. Value Fund	4.2	0.9	4.7	0.8

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
CI American Value Fund	4.4	2.0	4.6	2.5
Fidelity Canadian Disciplined Equity Fund	8.3	0.8	8.2	1.9
IA Clarington Canadian Small Cap Fund	3.1	0.8	3.1	0.9
Invesco European Growth Class	5.1	16.7	4.3	16.7
Invesco International Growth Class	3.7	1.6	4.1	1.7
Invesco International Growth Fund	3.3	1.9	2.4	1.5
Renaissance International Equity Fund	3.5	2.4	3.2	3.2
TD Asian Growth Fund	1.1	2.7	3.2	9.3
TD U.S. Mid-Cap Growth Fund	6.8	1.0	7.2	1.4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	16 735	17 562
Issued number of units	1 302	1 557
Reinvested number of units	966	353
Redeemed number of units	(3 211)	(2 737)
Ending number of units	15 792	16 735
Advisor Series		
Opening units	43	48
Issued number of units	6	5
Reinvested number of units	3	1
Redeemed number of units	(10)	(11)
Ending number of units	42	43
Series F		
Opening units	1 379	374
Issued number of units	1 565	989
Reinvested number of units	154	26
Redeemed number of units	(177)	(10)
Ending number of units	2 921	1 379



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC SELECT CHOICES AGGRESSIVE GROWTH PORTFOLIO

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
172 554	AGF American Growth Class	\$ 6 422	\$ 14 599	
242 671	CI American Value Fund	5 989	10 921	
326 773	Fidelity Canadian Disciplined Equity Fund	11 632	14 193	
109 795	IA Clarington Canadian Small Cap Fund	6 807	7 235	
596 684	Invesco European Growth Class	7 460	11 047	
313 107	Invesco International Growth Class	3 963	8 840	
955 509	Invesco International Growth Fund	8 622	8 273	
304 456	Phillips, Hager & North Canadian Growth Fund*	9 537	10 371	
904 313	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	12 876	14 512	
824 799	RBC Canadian Equity Fund*	18 343	15 974	
257 278	RBC Emerging Markets Dividend Fund*	3 849	3 164	
756 731	RBC Emerging Markets Equity Fund*	9 386	12 599	
239 220	RBC Emerging Markets Small-Cap Equity Fund*	3 605	3 286	
326 348	RBC Japanese Equity Fund*	4 470	3 744	
862 039	RBC O'Shaughnessy U.S. Value Fund*	11 019	10 333	
1 005 680	Renaissance International Equity Fund	7 773	11 576	
848 647	Synergy Canadian Corporate Class	12 037	14 253	
127 182	TD Asian Growth Fund	1 782	2 517	
395 391	TD U.S. Mid-Cap Growth Fund	7 144	12 920	
TOTAL UNDERLYING FUNDS		152 716	190 357	99.1
SHORT-TERM INVESTMENTS†		1 910	1 910	1.0
TOTAL INVESTMENTS		<u>\$ 154 626</u>	<u>192 267</u>	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(237)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 192 030</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.28% and mature between January 2, 2019 and January 31, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 192 267	\$ 209 934
Cash	53	52
Subscriptions receivable	183	108
TOTAL ASSETS	192 503	210 094
LIABILITIES		
Redemptions payable	82	155
Accounts payable and accrued expenses	391	444
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF		
REDEEMABLE UNITS	473	599
NET ASSETS ATTRIBUTABLE TO HOLDERS		
OF REDEEMABLE UNITS ("NAV")	\$ 192 030	\$ 209 495
Investments at cost	\$ 154 626	\$ 142 075
NAV		
SERIES A	\$ 167 559	\$ 197 544
ADVISOR SERIES	\$ 1 408	\$ 1 109
SERIES F	\$ 23 063	\$ 10 842
NAV PER UNIT		
SERIES A	\$ 14.43	\$ 15.38
ADVISOR SERIES	\$ 14.58	\$ 15.53
SERIES F	\$ 11.83	\$ 12.44

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 32	\$ 17
Income from investment trusts	10 628	7 356
Net realized gain (loss) on investments	12 379	7 291
Change in unrealized gain (loss) on investments	(30 218)	15 541
TOTAL NET GAIN (LOSS) ON		
INVESTMENTS AND DERIVATIVES	(7 179)	30 205
TOTAL INCOME (LOSS)	(7 179)	30 205
EXPENSES (see notes – Fund Specific Information)		
Management fees	4 513	4 427
Administration fees	102	101
Independent Review Committee costs	2	3
GST/HST	450	443
TOTAL EXPENSES	5 067	4 974
INCREASE (DECREASE) IN NAV	\$ (12 246)	\$ 25 231
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (10 755)	\$ 24 266
ADVISOR SERIES	\$ (99)	\$ 129
SERIES F	\$ (1 392)	\$ 836
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.88)	\$ 1.83
ADVISOR SERIES	\$ (1.08)	\$ 1.88
SERIES F	\$ (0.89)	\$ 1.55



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (12 246)	\$ 25 231
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(10 628)	(7 356)
Net realized loss (gain) on investments	(12 379)	(7 291)
Change in unrealized loss (gain) on investments	30 218	(15 541)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(53)	41
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(126 547)	(84 850)
Proceeds from sale and maturity of investments	137 003	95 836
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	5 368	6 070
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	23 422	21 984
Cash paid on redemption of redeemable units	(28 789)	(28 053)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (5 367)	\$ (6 069)
Net increase (decrease) in cash for the period	1	1
Cash (bank overdraft), beginning of period	52	51
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 53	\$ 52
Interest received (paid)	\$ 32	\$ 17
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 197 544	\$ 186 651	\$ 1 109	\$ 1 040	\$ 10 842	\$ 2 642	\$ 209 495	\$ 190 333
INCREASE (DECREASE) IN NAV	(10 755)	24 266	(99)	129	(1 392)	836	(12 246)	25 231
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	20 969	20 296	509	155	15 021	7 912	36 499	28 363
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(40 199)	(33 669)	(111)	(215)	(1 408)	(548)	(41 718)	(34 432)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(19 230)	(13 373)	398	(60)	13 613	7 364	(5 219)	(6 069)
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(29 985)	10 893	299	69	12 221	8 200	(17 465)	19 162
NAV AT END OF PERIOD	\$ 167 559	\$ 197 544	\$ 1 408	\$ 1 109	\$ 23 063	\$ 10 842	\$ 192 030	\$ 209 495

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this strategic asset allocation fund is to provide long-term capital growth.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equity Funds	33.8	31.7
United States Equity Funds	33.0	35.0
Canadian Equity Funds	32.3	32.5
Cash/Other	0.9	0.8
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	32.5	33.4
Euro	7.1	5.2
Pound sterling	4.6	5.4
Japanese yen	4.6	2.1
Hong Kong dollar	3.4	3.5
Swiss franc	1.6	1.6
New Taiwan dollar	1.5	1.3
South Korean won	1.4	1.8
Indian rupee	1.3	1.2
South African rand	1.1	1.3
Brazilian real	0.9	0.7
Australian dollar	0.6	0.9
Danish krone	0.6	0.6
Swedish krona	0.5	0.5
Turkish new lira	–	0.6
Chinese renminbi	–	0.5
Other currencies	2.8	2.0
Total	64.5	62.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.2% (December 31, 2017 – 3.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.8	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	190 357	–	–	190 357
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	1 910	–	1 910
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	190 357	1 910	–	192 267
% of total portfolio	99.0	1.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	207 845	–	–	207 845
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	2 089	–	2 089
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	207 845	2 089	–	209 934
% of total portfolio	99.0	1.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	2.26%	0.05%
Advisor Series	2.26%	0.05%
Series F	1.10%	0.05%

* Management fees for Series A and Advisor Series units represent the actual average management fee rate for the period ended December 31, 2018.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	738	738
Series F	100	100
Value of all units	12	13

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund’s interest in the sponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the sponsored funds (“Ownership”). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Canadian Growth Fund	5.4	1.6	5.4	1.7
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	7.6	0.3	7.9	0.3
RBC Canadian Equity Fund	8.3	0.8	8.4	0.7
RBC Emerging Markets Dividend Fund	1.6	0.3	—	—
RBC Emerging Markets Equity Fund	6.6	0.3	9.4	0.5
RBC Emerging Markets Small-Cap Equity Fund	1.7	0.6	—	—
RBC Japanese Equity Fund	2.0	0.3	—	—
RBC O’Shaughnessy U.S. Value Fund	5.4	0.9	6.2	0.7

The table below summarizes the Fund’s interest in the unsponsored funds as a percentage of NAV, and the Fund’s ownership interest as a percentage of NAV of the unsponsored funds (“Ownership”).

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
AGF American Growth Class	7.6	1.1	7.9	1.5
CI American Value Fund	5.7	1.9	6.0	2.4
Fidelity Canadian Disciplined Equity Fund	7.5	0.6	7.4	1.3
IA Clarington Canadian Small Cap Fund	3.9	0.7	4.0	0.8
Invesco European Growth Class	5.8	14.5	5.9	17.1
Invesco International Growth Class	4.6	1.5	5.3	1.7
Invesco International Growth Fund	4.3	1.9	2.5	1.2
Renaissance International Equity Fund	6.0	3.2	5.5	4.1
Synergy Canadian Corporate Class	7.5	1.1	7.3	1.3
TD Asian Growth Fund	1.3	2.4	3.1	6.8
TD U.S. Mid-Cap Growth Fund	6.7	0.8	6.9	1.1

Please see the generic notes at the back of the financial statements.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	228
Non-capital losses	8 826
Non-capital losses expire in:	
2035	119
2032	1 855
2031	1 578
2030	1 952
2029	1 355
2028	1 967

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

2018 **2017**

Series A

Opening units	12 847	13 770
Issued number of units	1 352	1 405
Reinvested number of units	–	–
Redeemed number of units	(2 588)	(2 328)
Ending number of units	11 611	12 847

Advisor Series

Opening units	71	76
Issued number of units	33	10
Reinvested number of units	–	–
Redeemed number of units	(7)	(15)
Ending number of units	97	71

Series F

Opening units	872	244
Issued number of units	1 190	675
Reinvested number of units	–	–
Redeemed number of units	(112)	(47)
Ending number of units	1 950	872

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2020 EDUCATION FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
4 394 352	Phillips, Hager & North Short Term Bond & Mortgage Fund*	\$ 44 292	\$ 43 408	
2 367 918	Phillips, Hager & North Total Return Bond Fund*	27 445	26 222	
298 304	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	4 389	4 787	
244 713	RBC Asia Pacific ex-Japan Equity Fund*	2 531	2 835	
7 903 657	RBC Bond Fund*	53 080	53 162	
81 781	RBC Canadian Dividend Fund*	4 377	5 491	
602 572	RBC Canadian Equity Fund*	13 351	11 670	
30 945 353	RBC Canadian Money Market Fund*	309 454	309 454	
25 187 628	RBC Canadian Short-Term Income Fund*	273 846	264 095	
199 843	RBC Emerging Markets Equity Fund*	2 469	3 327	
456 729	RBC European Equity Fund*	8 730	9 225	
7 941 395	RBC Global Bond Fund*	87 418	87 055	
165 584	RBC Japanese Equity Fund*	1 725	1 900	
445 140	RBC O'Shaughnessy U.S. Value Fund*	5 510	5 336	
209 016	RBC Private U.S. Large-Cap Core Equity Pool*	3 681	4 762	
436 554	RBC QUBE Low Volatility Canadian Equity Fund*	5 449	5 735	
153 824	RBC U.S. Equity Fund*	4 240	4 822	
85 113	RBC U.S. Mid-Cap Growth Equity Fund*	1 956	3 287	
TOTAL UNDERLYING FUNDS		853 943	846 573	99.6
SHORT-TERM INVESTMENTS[†]		3 109	3 109	0.4
TOTAL INVESTMENTS		<u>\$ 857 052</u>	849 682	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			365	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 850 047</u>	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.11% to 2.28% and mature between January 4, 2019 and January 31, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 849 682	\$ 890 671
Cash	263	254
Due from investment dealers	1 250	–
Subscriptions receivable	758	712
Dividends receivable, interest accrued and other assets	–	1
TOTAL ASSETS	851 953	891 638
LIABILITIES		
Due to investment dealers	300	1 900
Redemptions payable	872	765
Accounts payable and accrued expenses	734	1 205
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 906	3 870
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 850 047	\$ 887 768
Investments at cost	\$ 857 052	\$ 875 317
NAV		
SERIES A	\$ 832 319	\$ 875 704
SERIES D	\$ 4 666	\$ 4 976
SERIES F	\$ 13 062	\$ 7 088
NAV PER UNIT		
SERIES A	\$ 11.60	\$ 11.93
SERIES D	\$ 11.60	\$ 11.93
SERIES F	\$ 9.31	\$ 9.58

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 33	\$ 45
Income from investment trusts	21 936	27 919
Net realized gain (loss) on investments	13 117	15 515
Change in unrealized gain (loss) on investments	(22 724)	(12 722)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	12 362	30 757
TOTAL INCOME (LOSS)	12 362	30 757
EXPENSES (see notes – Fund Specific Information)		
Management fees	7 624	12 244
Administration fees	438	437
Independent Review Committee costs	2	3
GST/HST	808	1 273
TOTAL EXPENSES	8 872	13 957
INCREASE (DECREASE) IN NAV	\$ 3 490	\$ 16 800
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 3 385	\$ 16 577
SERIES D	\$ 28	\$ 122
SERIES F	\$ 77	\$ 101
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.05	\$ 0.23
SERIES D	\$ 0.07	\$ 0.31
SERIES F	\$ 0.07	\$ 0.24

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 3 490	\$ 16 800
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(21 936)	(27 919)
Net realized loss (gain) on investments	(13 117)	(15 515)
Change in unrealized loss (gain) on investments	22 724	12 722
(Increase) decrease in accrued receivables	1	(1)
Increase (decrease) in accrued payables	(471)	54
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(347 544)	(452 835)
Proceeds from sale and maturity of investments	398 012	456 036
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	41 159	(10 658)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	82 979	98 820
Cash paid on redemption of redeemable units	(124 103)	(88 137)
Distributions paid to holders of redeemable units	(26)	(24)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (41 150)	\$ 10 659
Net increase (decrease) in cash for the period	9	1
Cash (bank overdraft), beginning of period	254	253
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 263	\$ 254
Interest received (paid)	\$ 34	\$ 44
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 875 704	\$ 854 453	\$ 4 976	\$ 4 369	\$ 7 088	\$ 1 982	\$ 887 768	\$ 860 804
INCREASE (DECREASE) IN NAV	3 385	16 577	28	122	77	101	3 490	16 800
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	81 223	96 640	682	1 239	7 892	5 338	89 797	103 217
Reinvestments of distributions to holders of redeemable units	26 092	25 940	155	180	428	258	26 675	26 378
Redemption of redeemable units	(127 980)	(91 951)	(1 020)	(753)	(1 982)	(325)	(130 982)	(93 029)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(20 665)	30 629	(183)	666	6 338	5 271	(14 510)	36 566
Distributions from net income	(9 303)	(4 978)	(62)	(62)	(176)	(96)	(9 541)	(5 136)
Distributions from net gains	(16 802)	(20 977)	(93)	(119)	(265)	(170)	(17 160)	(21 266)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(26 105)	(25 955)	(155)	(181)	(441)	(266)	(26 701)	(26 402)
NET INCREASE (DECREASE) IN NAV	(43 385)	21 251	(310)	607	5 974	5 106	(37 721)	26 964
NAV AT END OF PERIOD	\$ 832 319	\$ 875 704	\$ 4 666	\$ 4 976	\$ 13 062	\$ 7 088	\$ 850 047	\$ 887 768

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 55.4% (December 31, 2017 – 73.1%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	35.0	34.0
AA	35.1	33.3
A	15.9	18.1
BBB	12.4	12.4
BB	0.6	0.8
B	0.3	0.6
CCC	–	0.1
Unrated	0.7	0.7
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	92.1	85.3
United States Equity Funds	2.8	5.2
Canadian Equity Funds	2.7	5.2
International Equity Funds	2.0	3.9
Cash/Other	0.4	0.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 55.7% (December 31, 2017 – 73.0%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	6.5	7.4
1 – 5 years	72.2	63.0
5 – 10 years	9.6	17.0
> 10 years	11.7	12.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.4% (December 31, 2017 – 3.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	2.3	4.8
Euro	0.5	1.0
Pound sterling	0.3	0.6
Japanese yen	0.3	0.6
Hong Kong dollar	0.2	–
Australian dollar	0.1	–
Brazilian real	0.1	–
South Korean won	0.1	–
New Taiwan dollar	0.1	–
Indian rupee	0.1	–
Swiss franc	0.1	–
Norwegian krone	0.1	–
Other currencies	–	2.0
Total	4.3	9.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.2% (December 31, 2017 – 0.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.1	+ or - 0.2

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	846 573	–	–	846 573
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 109	–	3 109
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	846 573	3 109	–	849 682
% of total portfolio	99.6	0.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	884 197	–	–	884 197
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	6 474	–	6 474
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	884 197	6 474	–	890 671
% of total portfolio	99.3	0.7	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*†	Administration fees
Series A	0.88%	0.05%
Series D	0.69%	0.05%
Series F	0.65%	0.05%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended December 31, 2018.

† Effective January 1, 2018, the management fees for Series F units were reduced to 0.65% from 0.70%.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series D	60	58
Series F	111	108
Value of all units	2	2



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Short Term Bond & Mortgage Fund	5.1	0.6	5.0	0.7
Phillips, Hager & North Total Return Bond Fund	3.1	0.3	3.0	0.3
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	0.6	0.1	1.0	0.2
RBC Asia Pacific ex-Japan Equity Fund	0.3	0.1	0.6	0.3
RBC Bond Fund	6.3	0.3	14.2	0.7
RBC Canadian Dividend Fund	0.6	—	1.3	0.1
RBC Canadian Equity Fund	1.4	0.6	2.6	0.9
RBC Canadian Money Market Fund	36.4	16.3	12.2	6.9
RBC Canadian Short-Term Income Fund	31.1	4.7	35.9	5.8
RBC Emerging Markets Equity Fund	0.4	0.1	0.9	0.2
RBC European Equity Fund	1.1	0.2	2.0	0.3
RBC Global Bond Fund	10.2	1.1	15.0	2.0
RBC Japanese Equity Fund	0.2	0.2	0.4	0.3
RBC O'Shaughnessy U.S. Value Fund	0.6	0.4	1.4	0.7
RBC Private U.S. Large-Cap Core Equity Pool	0.6	0.2	1.0	0.4
RBC QUBE Low Volatility Canadian Equity Fund	0.7	0.3	1.3	0.6
RBC U.S. Equity Fund	0.6	0.3	1.0	0.4
RBC U.S. Mid-Cap Growth Equity Fund	0.4	0.4	0.8	0.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	73 402	70 847
Issued number of units	6 811	7 927
Reinvested number of units	2 258	2 172
Redeemed number of units	(10 717)	(7 544)
Ending number of units	71 754	73 402
Series D		
Opening units	417	362
Issued number of units	57	102
Reinvested number of units	13	15
Redeemed number of units	(85)	(62)
Ending number of units	402	417
Series F		
Opening units	740	205
Issued number of units	823	541
Reinvested number of units	46	27
Redeemed number of units	(207)	(33)
Ending number of units	1 402	740



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2025 EDUCATION FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
11 896 370	Phillips, Hager & North Total Return Bond Fund*	\$ 136 005	\$ 131 737	
2 042 463	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	30 819	32 776	
1 670 494	RBC Asia Pacific ex-Japan Equity Fund*	17 624	19 354	
68 779 167	RBC Bond Fund*	468 724	462 629	
597 412	RBC Canadian Dividend Fund*	34 665	40 111	
4 247 079	RBC Canadian Equity Fund*	94 265	82 254	
17 986 911	RBC Canadian Short-Term Income Fund*	192 451	188 595	
1 433 522	RBC Emerging Markets Equity Fund*	18 323	23 866	
3 282 904	RBC European Equity Fund*	64 853	66 309	
6 056 673	RBC Global Bond Fund*	66 332	66 395	
1 066 720	RBC Japanese Equity Fund*	11 425	12 242	
2 991 329	RBC O'Shaughnessy U.S. Value Fund*	37 635	35 856	
1 452 251	RBC Private U.S. Large-Cap Core Equity Pool*	26 835	33 085	
3 016 004	RBC QUBE Low Volatility Canadian Equity Fund*	38 998	39 622	
1 018 452	RBC U.S. Equity Fund*	28 672	31 927	
658 043	RBC U.S. Mid-Cap Growth Equity Fund*	16 507	25 411	
TOTAL UNDERLYING FUNDS		1 284 133	1 292 169	99.6
SHORT-TERM INVESTMENTS†		9 391	9 391	0.7
TOTAL INVESTMENTS		<u>\$ 1 293 524</u>	1 301 560	100.3
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(3 600)	(0.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 1 297 960</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.13% and mature between January 2, 2019 and January 9, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 301 560	\$ 1 208 304
Cash	280	287
Subscriptions receivable	1 591	1 177
Dividends receivable, interest accrued and other assets	10	2
TOTAL ASSETS	1 303 441	1 209 770
LIABILITIES		
Due to investment dealers	3 200	3 945
Redemptions payable	332	347
Distributions payable	1	1
Accounts payable and accrued expenses	1 948	1 841
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5 481	6 134
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 297 960	\$ 1 203 636
Investments at cost	\$ 1 293 524	\$ 1 118 982
NAV		
SERIES A	\$ 1 260 290	\$ 1 181 530
SERIES D	\$ 10 345	\$ 9 397
SERIES F	\$ 27 325	\$ 12 709
NAV PER UNIT		
SERIES A	\$ 9.99	\$ 10.64
SERIES D	\$ 9.97	\$ 10.62
SERIES F	\$ 9.62	\$ 10.26

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 119	\$ 62
Income from investment trusts	56 933	51 375
Net realized gain (loss) on investments	19 943	12 099
Change in unrealized gain (loss) on investments	(81 286)	23 357
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(4 291)	86 893
TOTAL INCOME (LOSS)	(4 291)	86 893
EXPENSES (see notes – Fund Specific Information)		
Management fees	19 817	17 441
Administration fees	634	553
Independent Review Committee costs	2	3
GST/HST	2 009	1 766
TOTAL EXPENSES	22 462	19 763
INCREASE (DECREASE) IN NAV	\$ (26 753)	\$ 67 130
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (26 234)	\$ 66 117
SERIES D	\$ (141)	\$ 557
SERIES F	\$ (378)	\$ 456
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.23)	\$ 0.65
SERIES D	\$ (0.14)	\$ 0.73
SERIES F	\$ (0.18)	\$ 0.70

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (26 753)	\$ 67 130
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(56 933)	(51 375)
Net realized loss (gain) on investments	(19 943)	(12 099)
Change in unrealized loss (gain) on investments	81 286	(23 357)
(Increase) decrease in accrued receivables	(8)	—
Increase (decrease) in accrued payables	107	330
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(553 455)	(563 162)
Proceeds from sale and maturity of investments	455 044	448 547
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(120 655)	(133 986)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	183 235	182 442
Cash paid on redemption of redeemable units	(62 531)	(48 415)
Distributions paid to holders of redeemable units	(56)	(37)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 120 648	\$ 133 990
Net increase (decrease) in cash for the period	(7)	4
Cash (bank overdraft), beginning of period	287	283
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 280	\$ 287
Interest received (paid)	\$ 111	\$ 62
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 181 530	\$ 992 711	\$ 9 397	\$ 7 161	\$ 12 709	\$ 3 129	\$ 1 203 636	\$ 1 003 001
INCREASE (DECREASE) IN NAV	(26 234)	66 117	(141)	557	(378)	456	(26 753)	67 130
Early redemption fees	6	8	—	—	—	—	6	8
Proceeds from redeemable units issued	177 006	177 500	3 372	2 740	16 426	9 417	196 804	189 657
Reinvestments of distributions to holders of redeemable units	50 879	38 342	498	378	1 338	523	52 715	39 243
Redemption of redeemable units	(71 984)	(54 778)	(2 284)	(1 060)	(1 409)	(284)	(75 677)	(56 122)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	155 907	161 072	1 586	2 058	16 355	9 656	173 848	172 786
Distributions from net income	(11 073)	(9 298)	(170)	(148)	(480)	(212)	(11 723)	(9 658)
Distributions from net gains	(39 840)	(29 072)	(327)	(231)	(881)	(320)	(41 048)	(29 623)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(50 913)	(38 370)	(497)	(379)	(1 361)	(532)	(52 771)	(39 281)
NET INCREASE (DECREASE) IN NAV	78 760	188 819	948	2 236	14 616	9 580	94 324	200 635
NAV AT END OF PERIOD	\$ 1 260 290	\$ 1 181 530	\$ 10 345	\$ 9 397	\$ 27 325	\$ 12 709	\$ 1 297 960	\$ 1 203 636

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 65.4% (December 31, 2017 – 57.7%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	21.2	23.8
AA	46.4	40.1
A	15.1	15.7
BBB	15.2	13.7
BB	1.2	3.4
B	0.7	3.1
CCC	0.1	0.1
Unrated	0.1	0.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	65.5	57.8
Canadian Equity Funds	12.5	15.0
United States Equity Funds	12.3	15.3
International Equity Funds	9.3	11.5
Cash/Other	0.4	0.4
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 65.5% (December 31, 2017 – 57.6%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	3.6	3.2
1 – 5 years	49.4	42.0
5 – 10 years	21.1	27.7
> 10 years	25.9	27.1
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.2% (December 31, 2017 – 3.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	10.5	13.5
Euro	2.3	2.8
Pound sterling	1.5	1.8
Japanese yen	1.0	1.3
Hong Kong dollar	0.7	0.7
Swiss franc	0.7	0.8
South Korean won	–	0.6
Other currencies	2.4	2.8
Total	19.1	24.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.0% (December 31, 2017 – 1.2%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.3	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	1 292 169	–	–	1 292 169
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	9 391	–	9 391
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 292 169	9 391	–	1 301 560
% of total portfolio	99.3	0.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	1 198 473	–	–	1 198 473
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	9 831	–	9 831
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 198 473	9 831	–	1 208 304
% of total portfolio	99.2	0.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.59%	0.05%
Series D	0.87%	0.05%
Series F	0.80%	0.05%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended December 31, 2018.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series D	80	77
Series F	114	108
Value of all units	2	2



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North Total Return Bond Fund	10.1	1.6	10.0	1.4
Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund	2.5	0.7	3.1	0.7
RBC Asia Pacific ex-Japan Equity Fund	1.5	0.9	1.8	1.1
RBC Bond Fund	35.6	2.3	33.3	2.2
RBC Canadian Dividend Fund	3.1	0.2	3.8	0.2
RBC Canadian Equity Fund	6.3	3.9	7.5	3.6
RBC Canadian Short-Term Income Fund	14.5	3.3	8.6	1.9
RBC Emerging Markets Equity Fund	1.8	0.5	2.4	0.8
RBC European Equity Fund	5.1	1.1	6.0	1.0
RBC Global Bond Fund	5.1	0.9	3.0	0.5
RBC High Yield Bond Fund	—	—	2.9	1.8
RBC Japanese Equity Fund	0.9	1.0	1.3	1.2
RBC O'Shaughnessy U.S. Value Fund	2.8	3.0	3.8	2.6
RBC Private U.S. Large-Cap Core Equity Pool	2.5	1.5	3.1	1.7
RBC QUBE Low Volatility Canadian Equity Fund	3.1	2.4	3.7	2.1
RBC U.S. Equity Fund	2.5	1.7	3.0	1.9
RBC U.S. Mid-Cap Growth Equity Fund	2.0	2.9	2.3	3.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	111 024	95 923
Issued number of units	16 708	16 627
Reinvested number of units	5 153	3 593
Redeemed number of units	(6 785)	(5 119)
Ending number of units	126 100	111 024
Series D		
Opening units	885	693
Issued number of units	316	255
Reinvested number of units	51	36
Redeemed number of units	(214)	(99)
Ending number of units	1 038	885
Series F		
Opening units	1 239	313
Issued number of units	1 598	902
Reinvested number of units	141	51
Redeemed number of units	(138)	(27)
Ending number of units	2 840	1 239



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2030 EDUCATION FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
454 164	Phillips, Hager & North Canadian Growth Fund*	\$ 15 969	\$ 15 471	
3 666 526	Phillips, Hager & North Total Return Bond Fund*	41 301	40 602	
1 970 915	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	32 515	31 628	
2 036 643	RBC Asia Pacific ex-Japan Equity Fund*	23 315	23 596	
31 136 150	RBC Bond Fund*	213 904	209 431	
582 265	RBC Canadian Dividend Fund*	38 602	39 094	
4 401 481	RBC Canadian Equity Fund*	97 747	85 244	
1 711 683	RBC Emerging Markets Equity Fund*	25 729	28 497	
3 348 014	RBC European Equity Fund*	74 229	67 624	
5 983 207	RBC High Yield Bond Fund*	64 477	60 512	
1 264 833	RBC Japanese Equity Fund*	14 791	14 515	
3 282 852	RBC O'Shaughnessy U.S. Value Fund*	48 975	39 351	
1 609 176	RBC Private U.S. Large-Cap Core Equity Pool*	33 653	36 660	
2 515 556	RBC QUBE Low Volatility Canadian Equity Fund*	35 338	33 047	
1 172 075	RBC U.S. Equity Fund*	36 501	36 743	
755 016	RBC U.S. Mid-Cap Growth Equity Fund*	24 467	29 156	
TOTAL UNDERLYING FUNDS		821 513	791 171	99.4
SHORT-TERM INVESTMENTS†		8 580	8 580	1.1
TOTAL INVESTMENTS		<u>\$ 830 093</u>	799 751	100.5
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(3 993)	(0.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 795 758</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.13% and mature between January 2, 2019 and January 9, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 799 751	\$ 659 809
Cash	111	117
Subscriptions receivable	2 116	1 700
Dividends receivable, interest accrued and other assets	6	1
TOTAL ASSETS	801 984	661 627
LIABILITIES		
Due to investment dealers	4 600	5 385
Redemptions payable	372	215
Accounts payable and accrued expenses	1 254	1 041
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	6 226	6 641
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 795 758	\$ 654 986
Investments at cost	\$ 830 093	\$ 620 746
NAV		
SERIES A	\$ 772 393	\$ 641 165
SERIES D	\$ 10 567	\$ 8 952
SERIES F	\$ 12 798	\$ 4 869
NAV PER UNIT		
SERIES A	\$ 12.16	\$ 13.30
SERIES D	\$ 12.23	\$ 13.38
SERIES F	\$ 9.88	\$ 10.82

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 85	\$ 41
Income from investment trusts	45 964	31 248
Net realized gain (loss) on investments	3 766	1 403
Change in unrealized gain (loss) on investments	(69 405)	25 343
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(19 590)	58 035
TOTAL INCOME (LOSS)	(19 590)	58 035
EXPENSES (see notes – Fund Specific Information)		
Management fees	12 352	9 033
Administration fees	375	268
Independent Review Committee costs	2	3
GST/HST	1 250	911
TOTAL EXPENSES	13 979	10 215
INCREASE (DECREASE) IN NAV	\$ (33 569)	\$ 47 820
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (32 738)	\$ 46 875
SERIES D	\$ (374)	\$ 684
SERIES F	\$ (457)	\$ 261
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.60)	\$ 1.16
SERIES D	\$ (0.49)	\$ 1.25
SERIES F	\$ (0.52)	\$ 1.12



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (33 569)	\$ 47 820
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(45 964)	(31 248)
Net realized loss (gain) on investments	(3 766)	(1 403)
Change in unrealized loss (gain) on investments	69 405	(25 343)
(Increase) decrease in accrued receivables	(5)	(1)
Increase (decrease) in accrued payables	213	378
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(491 408)	(477 779)
Proceeds from sale and maturity of investments	331 006	308 750
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(174 088)	(178 826)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	210 066	202 261
Cash paid on redemption of redeemable units	(35 935)	(23 411)
Distributions paid to holders of redeemable units	(49)	(21)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 174 082	\$ 178 829
Net increase (decrease) in cash for the period	(6)	3
Cash (bank overdraft), beginning of period	117	114
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 111	\$ 117
Interest received (paid)	\$ 80	\$ 40
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 641 165	\$ 422 147	\$ 8 952	\$ 5 488	\$ 4 869	\$ 871	\$ 654 986	\$ 428 506
INCREASE (DECREASE) IN NAV	(32 738)	46 875	(374)	684	(457)	261	(33 569)	47 820
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	203 724	197 202	3 708	3 976	9 084	3 981	216 516	205 159
Reinvestments of distributions to holders of redeemable units	34 657	20 065	547	347	677	187	35 881	20 599
Redemption of redeemable units	(39 740)	(25 048)	(1 710)	(1 195)	(676)	(235)	(42 126)	(26 478)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	198 641	192 219	2 545	3 128	9 085	3 933	210 271	199 280
Distributions from net income	(7 426)	(4 707)	(183)	(134)	(247)	(81)	(7 856)	(4 922)
Distributions from net gains	(27 249)	(15 369)	(373)	(214)	(452)	(115)	(28 074)	(15 698)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(34 675)	(20 076)	(556)	(348)	(699)	(196)	(35 930)	(20 620)
NET INCREASE (DECREASE) IN NAV	131 228	219 018	1 615	3 464	7 929	3 998	140 772	226 480
NAV AT END OF PERIOD	\$ 772 393	\$ 641 165	\$ 10 567	\$ 8 952	\$ 12 798	\$ 4 869	\$ 795 758	\$ 654 986

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 39.0% (December 31, 2017 – 35.8%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	11.8	15.3
AA	42.4	31.5
A	10.9	11.4
BBB	16.2	13.6
BB	10.4	13.9
B	7.8	13.7
CCC	0.4	0.5
Unrated	0.1	0.1
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	39.0	35.8
United States Equity Funds	21.8	22.8
Canadian Equity Funds	21.7	22.9
International Equity Funds	16.9	18.0
Cash/Other	0.6	0.5
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 39.1% (December 31, 2017 – 35.7%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

	December 31 2018	December 31 2017
Term to maturity		
Less than 1 year	1.6	1.2
1 – 5 years	33.7	29.0
5 – 10 years	36.8	44.1
> 10 years	27.9	25.7
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.7% (December 31, 2017 – 2.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	18.3	20.7
Euro	3.8	4.2
Pound sterling	2.6	2.8
Japanese yen	1.9	2.0
Hong Kong dollar	1.4	1.1
Swiss franc	1.2	1.2
Indian rupee	0.8	0.7
South Korean won	0.7	0.9
New Taiwan dollar	0.6	0.6
Australian dollar	0.5	0.5
South African rand	0.5	0.5
Other currencies	1.9	2.1
Total	34.2	37.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.7% (December 31, 2017 – 1.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.5	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	791 171	—	—	791 171
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	8 580	—	8 580
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	791 171	8 580	—	799 751
% of total portfolio	98.9	1.1	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	651 572	—	—	651 572
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	8 237	—	8 237
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	651 572	8 237	—	659 809
% of total portfolio	98.8	1.2	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

Please see the generic notes at the back of the financial statements.

The management fee payable to RBC GAM 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 NAV 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 the pro rata share of the MER 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 the pro rata share of the MER of the underlying funds.

	Management fees*	Administration fees
Series A	1.68%	0.05%
Series D	0.96%	0.05%
Series F	0.85%	0.05%

* Management fees for Series A and Series D units represent the actual average management fee rate for the period ended December 31, 2018.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	114	107
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North				
Canadian Growth Fund	1.9	2.3	3.0	3.0
Phillips, Hager & North				
Total Return Bond Fund	5.1	0.5	5.0	0.4



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North				
U.S. Multi-Style All-Cap				
Equity Fund	4.0	0.6	4.2	0.5
RBC Asia Pacific ex-Japan				
Equity Fund	3.0	1.1	3.1	1.0
RBC Bond Fund	26.3	1.1	20.1	0.7
RBC Canadian				
Dividend Fund	4.9	0.2	5.0	0.2
RBC Canadian Equity Fund	10.7	4.1	11.1	2.9
RBC Emerging Markets				
Equity Fund	3.6	0.7	3.6	0.6
RBC European Equity Fund	8.5	1.1	9.2	0.9
RBC High Yield Bond Fund	7.6	3.6	10.7	3.6
RBC Japanese Equity Fund	1.8	1.2	2.1	1.1
RBC O'Shaughnessy				
U.S. Value Fund	4.9	3.3	4.1	1.6
RBC Private U.S. Large-Cap				
Core Equity Pool	4.6	1.6	5.1	1.5
RBC QUBE Low Volatility				
Canadian Equity Fund	4.2	2.0	3.8	1.2
RBC U.S. Equity Fund	4.6	1.9	5.1	1.7
RBC U.S. Mid-Cap Growth				
Equity Fund	3.7	3.4	4.3	3.6

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	450	85
Issued number of units	837	370
Reinvested number of units	70	17
Redeemed number of units	(62)	(22)
Ending number of units	1 295	450

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	48 205	33 587
Issued number of units	15 375	15 013
Reinvested number of units	2 906	1 504
Redeemed number of units	(2 992)	(1 899)
Ending number of units	63 494	48 205

Series D		
Opening units	669	434
Issued number of units	276	299
Reinvested number of units	46	26
Redeemed number of units	(127)	(90)
Ending number of units	864	669

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TARGET 2035 EDUCATION FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
91 872	Phillips, Hager & North Canadian Growth Fund*	\$ 3 456	\$ 3 130	
157 532	Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund*	2 849	2 528	
195 834	RBC Asia Pacific ex-Japan Equity Fund*	2 562	2 269	
1 126 753	RBC Bond Fund*	7 629	7 579	
46 526	RBC Canadian Dividend Fund*	3 360	3 124	
391 715	RBC Canadian Equity Fund*	8 662	7 586	
151 181	RBC Emerging Markets Equity Fund*	2 689	2 517	
312 067	RBC European Equity Fund*	7 256	6 303	
827 855	RBC High Yield Bond Fund*	8 879	8 373	
131 364	RBC Japanese Equity Fund*	1 725	1 508	
261 978	RBC O'Shaughnessy U.S. Value Fund*	4 165	3 140	
153 432	RBC Private U.S. Large-Cap Core Equity Pool*	3 740	3 495	
141 751	RBC QUBE Low Volatility Canadian Equity Fund*	2 043	1 861	
111 316	RBC U.S. Equity Fund*	3 785	3 490	
81 185	RBC U.S. Mid-Cap Growth Equity Fund*	3 267	3 135	
TOTAL UNDERLYING FUNDS		66 067	60 038	98.3
SHORT-TERM INVESTMENTS†		1 971	1 971	3.2
TOTAL INVESTMENTS		<u>\$ 68 038</u>	62 009	101.5
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(909)	(1.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 61 100</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 62 009	\$ 12 954
Cash	–	1
Subscriptions receivable	876	376
TOTAL ASSETS	62 885	13 331
LIABILITIES		
Due to investment dealers	1 662	1 102
Redemptions payable	25	3
Accounts payable and accrued expenses	98	17
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 785	1 122
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 61 100	\$ 12 209
Investments at cost	\$ 68 038	\$ 13 127
NAV		
SERIES A	\$ 58 412	\$ 11 570
SERIES D	\$ 1 384	\$ 332
SERIES F	\$ 1 304	\$ 307
NAV PER UNIT		
SERIES A	\$ 9.22	\$ 10.22
SERIES D	\$ 9.13	\$ 10.14
SERIES F	\$ 9.12	\$ 10.12

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 8	\$ 1
Income from investment trusts	3 447	432
Net realized gain (loss) on investments	2	–
Change in unrealized gain (loss) on investments	(5 856)	(173)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(2 399)	260
TOTAL INCOME (LOSS)	(2 399)	260
EXPENSES (see notes – Fund Specific Information)		
Management fees	661	31
Administration fees	16	2
Independent Review Committee costs	2	1
GST/HST	65	4
Expenses reimbursed by manager	(1)	(1)
TOTAL EXPENSES	743	37
INCREASE (DECREASE) IN NAV	\$ (3 142)	\$ 223
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 011)	\$ 204
SERIES D	\$ (71)	\$ 8
SERIES F	\$ (60)	\$ 11
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.89)	\$ 0.47
SERIES D	\$ (0.71)	\$ 0.52
SERIES F	\$ (0.67)	\$ 0.60



Statements of Cash Flow (in \$000s)

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 142)	\$ 223
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(3 447)	(432)
Net realized loss (gain) on investments	(2)	—
Change in unrealized loss (gain) on investments	5 856	173
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	81	17
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(161 478)	(34 431)
Proceeds from sale and maturity of investments	110 576	22 838
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(51 556)	(11 612)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	53 485	11 785
Cash paid on redemption of redeemable units	(1 928)	(172)
Distributions paid to holders of redeemable units	(2)	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 51 555	\$ 11 613
Net increase (decrease) in cash for the period	(1)	1
Cash (bank overdraft), beginning of period	1	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ 8	\$ 1
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 11 570	\$ —	\$ 332	\$ —	\$ 307	\$ —	\$ 12 209	\$ —
INCREASE (DECREASE) IN NAV	(3 011)	204	(71)	8	(60)	11	(3 142)	223
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	51 756	11 521	1 292	361	1 252	313	54 300	12 195
Reinvestments of distributions to holders of redeemable units	2 629	375	76	15	74	15	2 779	405
Redemption of redeemable units	(1 902)	(155)	(169)	(37)	(194)	(17)	(2 265)	(209)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	52 483	11 741	1 199	339	1 132	311	54 814	12 391
Distributions from net income	(635)	(107)	(27)	(6)	(29)	(7)	(691)	(120)
Distributions from net gains	(1 995)	(268)	(49)	(9)	(46)	(8)	(2 090)	(285)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 630)	(375)	(76)	(15)	(75)	(15)	(2 781)	(405)
NET INCREASE (DECREASE) IN NAV	46 842	11 570	1 052	332	997	307	48 891	12 209
NAV AT END OF PERIOD	\$ 58 412	\$ 11 570	\$ 1 384	\$ 332	\$ 1 304	\$ 307	\$ 61 100	\$ 12 209

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of this asset allocation fund is 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 was started August 28, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 32.8% (December 31, 2017 – 24.2%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	5.7	6.4
AA	26.4	19.6
A	6.2	7.4
BBB	16.0	13.1
BB	25.3	26.3
B	19.6	26.2
CCC	0.8	1.0
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Income Funds	26.2	24.2
United States Equity Funds	25.8	25.8
Canadian Equity Funds	25.6	25.9
International Equity Funds	20.7	20.8
Cash/Other	1.7	3.3
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 25.9% (December 31, 2017 – 23.4%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.9	0.7
1 – 5 years	27.2	21.1
5 – 10 years	53.5	60.4
> 10 years	18.4	17.8
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.6% (December 31, 2017 – 1.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
United States dollar	22.5	22.0
Euro	4.5	4.6
Pound sterling	3.1	3.1
Japanese yen	2.5	2.4
Hong Kong dollar	1.6	1.3
Swiss franc	1.4	1.3
Indian rupee	0.9	0.8
South Korean won	0.8	1.0
New Taiwan dollar	0.7	0.7
Australian dollar	0.6	0.6
South African rand	0.5	0.5
Other currencies	2.1	2.5
Total	41.2	40.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.1% (December 31, 2017 – 2.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.



December 31, 2018

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 16-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018
S&P/TSX Capped Composite	
Total Return Index	+ or - 0.7

Due to the fact that the Fund was in existence for less than six months prior to December 31, 2017, no comparative disclosure is provided because there is insufficient data, and any resulting calculation of the impact on the NAV of the Fund using historical correlation between the Fund's return and a broad-based index could be materially misleading.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	60 038	—	—	60 038
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	1 971	—	1 971
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	60 038	1 971	—	62 009
% of total portfolio	96.8	3.2	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	11 800	—	—	11 800
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	1 154	—	1 154
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	11 800	1 154	—	12 954
% of total portfolio	91.1	8.9	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Please see the generic notes at the back of the financial statements.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.05%
Series D	1.10%	0.05%
Series F	0.85%	0.05%

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	109	104
Series D	112	105
Series F	109	15 602
Value of all units	3	160

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Phillips, Hager & North				
Canadian Growth Fund	5.1	0.5	5.2	0.1
Phillips, Hager & North				
U.S. Multi-Style All-Cap				
Equity Fund	4.1	0.1	4.0	—
RBC Asia Pacific ex-Japan				
Equity Fund	3.7	0.1	3.7	—
RBC Bond Fund	12.4	—	9.7	—
RBC Canadian				
Dividend Fund	5.1	—	5.2	—
RBC Canadian Equity Fund	12.4	0.4	12.4	0.1
RBC Emerging Markets				
Equity Fund	4.1	0.1	4.2	—
RBC European Equity Fund	10.3	0.1	10.4	—
RBC High Yield Bond Fund	13.7	0.5	14.5	0.1
RBC Japanese Equity Fund	2.5	0.1	2.5	—
RBC O'Shaughnessy				
U.S. Value Fund	5.1	0.3	5.2	—



December 31, 2018

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private U.S. Large-Cap Core Equity Pool	5.7	0.2	5.7	–
RBC QUBE Low Volatility Canadian Equity Fund	3.0	0.1	3.1	–
RBC U.S. Equity Fund	5.7	0.2	5.7	–
RBC U.S. Mid-Cap Growth Equity Fund	5.1	0.4	5.2	0.1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 132	–
Issued number of units	5 098	1 110
Reinvested number of units	292	37
Redeemed number of units	(186)	(15)
Ending number of units	6 336	1 132
Series D		
Opening units	33	–
Issued number of units	126	36
Reinvested number of units	9	1
Redeemed number of units	(17)	(4)
Ending number of units	151	33
Series F		
Opening units	30	–
Issued number of units	124	30
Reinvested number of units	8	2
Redeemed number of units	(19)	(2)
Ending number of units	143	30

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN DIVIDEND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Communication Services				
5 328 484	BCE Inc.	\$ 168 096	\$ 287 365	
5 127 552	Quebecor Inc., Class B	69 269	147 366	
4 486 002	Rogers Communications Inc., Class B	197 762	313 841	
7 032 183	Shaw Communications Inc., Class B	144 515	173 765	
7 085 016	TELUS Corp.	172 965	320 597	
		752 607	1 242 934	7.3
Consumer Discretionary				
39 947	Home Depot Inc.	9 236	9 375	
1 268 112	Magna International Inc., Class A	26 190	78 585	
1 720 705	Recipe Unlimited Corp.	47 280	45 031	
2 132 456	Restaurant Brands International Inc.	140 407	152 087	
		223 113	285 078	1.7
Consumer Staples				
3 581 455	Alimentation Couche-Tard Inc.	175 780	243 217	
1 503 126	George Weston Ltd.	133 364	135 356	
4 128 094	Loblaw Companies Ltd.	173 954	252 268	
4 511 158	Maple Leaf Foods Inc.	71 792	123 290	
2 194 524	Saputo Group Inc.	91 444	86 003	
		646 334	840 134	4.9
Energy				
5 151 764	ARC Resources Ltd.	106 626	41 730	
10 546 118	Bonavista Energy Corp.	131 635	12 656	
11 961 319	Canadian Natural Resources Ltd.	436 093	394 007	
19 757 989	Enbridge Inc.	834 813	837 937	
8 936 154	Husky Energy Inc.	245 411	126 090	
6 242 152	Imperial Oil Ltd.	191 594	215 917	
2 810 454	Keyera Corp.	104 447	72 538	
5 127 626	Pembina Pipeline Corp.	191 659	207 720	
8 848 109	PrairieSky Royalty Ltd.	279 253	156 346	
2 474 840	ShawCor Ltd.	96 722	41 033	
10 043 387	Suncor Energy Inc.	339 222	382 954	
10 385 907	TransCanada Corp.	440 542	506 313	
		3 398 017	2 995 241	17.6
Financials				
6 240 164	Bank of Montreal	328 403	556 560	
15 703 694	Bank of Nova Scotia	820 556	1 068 636	
12 511 892	Brookfield Asset Management Inc., Class A	260 861	654 622	
298 361	Brookfield Asset Management Inc., Preferred Series 9, 5.630%	7 491	5 251	
4 086 579	Canadian Imperial Bank of Commerce	329 905	415 523	
5 970 790	Element Fleet Management Corp.	39 539	41 258	
364 999	Fairfax Financial Holdings Ltd.	205 630	219 357	
100 000	Industrial Alliance Insurance & Financial Services Inc.	4 817	4 357	
1 494 983	Intact Financial Corp.	85 106	148 287	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
22 144 507	Manulife Financial Corporation	\$ 417 650	\$ 428 939	
3 014 084	National Bank of Canada	133 822	168 939	
2 114 716	Onex Corporation	86 568	157 229	
6 411 694	Power Corporation of Canada	156 362	157 279	
14 774 084	Royal Bank of Canada*	813 412	1 380 490	
6 075 534	Sun Life Financial Inc.	222 075	275 161	
18 548 214	Toronto-Dominion Bank	678 083	1 258 682	
		4 590 280	6 940 570	40.8
Health Care				
495 739	Abbott Laboratories	41 694	48 952	
137 816	Anthem Inc.	46 484	49 413	
199 734	Bristol-Myers Squibb Co.	14 901	14 170	
2 806 377	Chartwell Retirement Residences Real Estate Investment Trust	20 425	38 363	
242 896	Johnson & Johnson	44 371	42 798	
396 072	Medtronic Plc.	44 044	49 192	
		211 919	242 888	1.4
Industrials				
2 178 039	Brookfield Business Partners LP	64 200	90 563	
7 607 626	Canadian National Railway Co.	225 810	769 207	
1 625 929	Canadian Pacific Railway Ltd.	131 842	393 865	
21 971	Northrop Grumman Corp.	8 957	7 345	
3 590 294	SNC-Lavalin Group Inc.	184 927	164 866	
4 301 145	Thomson Reuters Corp.	134 859	283 574	
57 923	United Technologies Corp.	9 453	8 418	
		760 048	1 717 838	10.1
Information Technology				
600 800	Open Text Corp.	26 581	26 736	
		26 581	26 736	0.2
Materials				
981 406	Agnico Eagle Mines Ltd.	55 881	54 075	
3 791 618	Barrick Gold Corp.	80 380	69 880	
943 975	CCL Industries, Class B	58 999	47 255	
576 131	First Quantum Minerals Ltd.	9 243	6 360	
3 387 893	Goldcorp Inc.	74 525	45 296	
3 981 925	Nutrien Ltd.	259 741	255 321	
3 008 388	Teck Resources Ltd., Class B	79 961	88 417	
		618 730	566 604	3.3
Real Estate				
1 895 497	Allied Properties Real Estate Investment Trust	62 988	84 008	
5 287 892	Brookfield Property Partners LP	126 326	116 439	
11 599 386	Choice Properties Real Estate Investment Trust	139 133	133 625	
4 404 520	First Capital Realty Inc.	73 618	83 025	
		402 065	417 097	2.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
3 145 800	AltaGas Canada Inc.	\$ 45 614	\$ 51 025	
3 673 900	AltaGas Ltd.	56 844	51 067	
4 283 008	Atco Ltd., Class I, Non-Voting	101 061	165 367	
2 606 835	Brookfield Infrastructure Partners LP	110 371	122 912	
2 709 495	Brookfield Renewable Partners LP	76 580	95 781	
502 438	Brookfield Renewable Power Inc., Preferred Series 2, 1.729 %	12 382	8 139	
3 339 380	Canadian Utilities Ltd., Class A	107 448	104 589	
1 144 490	Emera Inc.	53 465	50 026	
(5 000)	Emera Inc., Written Call @ 44.00 January 18, 2019	(445)	(325)	
5 552 217	Fortis Inc.	206 420	252 681	
(5 000)	Fortis Inc., Written Call @ 46.00 January 18, 2019	(325)	(283)	
1 512 700	Hydro One Ltd.	29 588	30 632	
14 259 433	TransAlta Corp.	116 850	79 710	
		915 853	1 011 321	5.9
TOTAL EQUITIES		12 545 547	16 286 441	95.7

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CORPORATE						
47 775	Canaccord Genuity Group Inc., Convertible	6.250	31-Dec-2023	\$ 47 775	\$ 47 154	
TOTAL BONDS				47 775	47 154	0.3
SHORT-TERM INVESTMENTS[†]				647 074	647 074	3.8
TOTAL INVESTMENTS				13 240 396	16 980 669	99.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	923	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(6 334)	—
TOTAL PORTFOLIO				\$13 240 396	16 975 258	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					41 058	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$17 016 316	100.0



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 310 Sold CAD 1 701 @ 0.7700	14-Jan-2019	\$ 86
Bought USD 800 Sold CAD 1 072 @ 0.7462	14-Jan-2019	20
Bought USD 812 Sold CAD 1 107 @ 0.7333	16-Jan-2019	1
Bought USD 8 492 Sold CAD 11 282 @ 0.7527	24-Jan-2019	303
Bought USD 1 200 Sold CAD 1 627 @ 0.7376	11-Feb-2019	10
Bought USD 1 250 Sold CAD 1 697 @ 0.7364	04-Mar-2019	7
Bought USD 16 920 Sold CAD 22 625 @ 0.7478	19-Mar-2019	432
Bought USD 2 000 Sold CAD 2 689 @ 0.7438	19-Mar-2019	37
Bought USD 2 225 Sold CAD 3 005 @ 0.7405	19-Mar-2019	27
		\$ 923

Contracts	Maturity Date	Unrealized Loss
Bought CAD 14 029 Sold USD 10 870 @ 1.2906	04-Jan-2019	\$ (810)
Bought CAD 3 009 Sold USD 2 300 @ 1.3083	04-Jan-2019	(131)
Bought CAD 14 278 Sold USD 11 000 @ 1.2980	16-Jan-2019	(733)
Bought CAD 15 369 Sold USD 12 000 @ 1.2808	18-Jan-2019	(1 006)
Bought CAD 2 937 Sold USD 2 250 @ 1.3054	24-Jan-2019	(133)
Bought CAD 28 775 Sold USD 22 000 @ 1.3080	24-Jan-2019	(1 240)
Bought CAD 1 290 Sold USD 1 000 @ 1.2895	28-Jan-2019	(75)
Bought CAD 463 Sold USD 353 @ 1.3110	28-Jan-2019	(19)
Bought CAD 1 480 Sold USD 1 140 @ 1.2983	29-Jan-2019	(75)
Bought CAD 1 315 Sold USD 965 @ 1.3626	04-Feb-2019	(1)
Bought CAD 10 402 Sold USD 7 942 @ 1.3098	05-Feb-2019	(430)
Bought CAD 751 Sold USD 575 @ 1.3065	11-Feb-2019	(33)
Bought CAD 9 647 Sold USD 7 372 @ 1.3086	14-Feb-2019	(405)
Bought CAD 3 642 Sold USD 2 726 @ 1.3361	19-Feb-2019	(75)
Bought CAD 547 Sold USD 413 @ 1.3253	20-Feb-2019	(16)
Bought CAD 12 208 Sold USD 9 300 @ 1.3127	21-Feb-2019	(472)
Bought CAD 263 Sold USD 200 @ 1.3163	25-Feb-2019	(9)
Bought CAD 5 310 Sold USD 4 000 @ 1.3276	11-Mar-2019	(142)
Bought CAD 1 651 Sold USD 1 250 @ 1.3204	12-Mar-2019	(53)
Bought CAD 5 578 Sold USD 4 170 @ 1.3378	19-Mar-2019	(104)
Bought CAD 4 973 Sold USD 3 734 @ 1.3318	20-Mar-2019	(116)
Bought CAD 12 891 Sold USD 9 648 @ 1.3362	22-Mar-2019	(256)
		\$ (6 334)
TOTAL FOREIGN EXCHANGE		\$ (5 411)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.54% to 2.26% and mature between January 3, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 16 980 669	\$ 18 761 917
Cash	10 284	16 137
Due from investment dealers	10 556	22 921
Subscriptions receivable	5 665	16 904
Unrealized gain on foreign exchange contracts	923	2 039
Dividends receivable, interest accrued and other assets	56 538	47 277
TOTAL ASSETS	17 064 635	18 867 195
LIABILITIES		
Due to investment dealers	19 881	9 444
Redemptions payable	6 220	8 629
Unrealized loss on foreign exchange contracts	6 334	2 330
Distributions payable	554	543
Accounts payable and accrued expenses	15 330	18 041
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	48 319	38 987
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 17 016 316	\$ 18 828 208
Investments at cost	\$ 13 240 396	\$ 12 630 667
NAV		
SERIES A	\$ 8 612 577	\$ 10 700 074
ADVISOR SERIES	\$ 167 442	\$ 195 933
ADVISOR T5 SERIES	\$ 1 737	\$ 2 646
SERIES T5	\$ 15 054	\$ 14 650
SERIES T8	\$ 87 571	\$ 114 561
SERIES D	\$ 637 339	\$ 707 172
SERIES F	\$ 1 603 230	\$ 1 235 540
SERIES FT5	\$ 13 184	\$ 9 749
SERIES FT8	\$ 8 458	\$ 10 143
SERIES I	\$ 28 689	\$ 32 709
SERIES O	\$ 5 841 035	\$ 5 805 031
NAV PER UNIT		
SERIES A	\$ 65.87	\$ 72.96
ADVISOR SERIES	\$ 66.27	\$ 73.41
ADVISOR T5 SERIES	\$ 56.34	\$ 65.01
SERIES T5	\$ 52.54	\$ 60.61
SERIES T8	\$ 8.93	\$ 10.65
SERIES D	\$ 65.94	\$ 73.06
SERIES F	\$ 67.85	\$ 75.17
SERIES FT5	\$ 60.02	\$ 68.50
SERIES FT8	\$ 9.13	\$ 10.78
SERIES I	\$ 66.62	\$ 73.82
SERIES O	\$ 67.14	\$ 74.41

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 584 977	\$ 529 369
Interest for distribution purposes	17 142	11 891
Income from investment trusts	12 582	5 085
Derivative income	(5 068)	12 584
Net realized gain (loss) on investments	523 052	477 880
Change in unrealized gain (loss) on investments	(2 396 097)	620 746
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 263 412)	1 657 555
Securities lending revenue (see note 7 in the generic notes)	1 250	1 343
Net gain (loss) on foreign cash balances	1 015	1 873
TOTAL OTHER INCOME (LOSS)	2 265	3 216
TOTAL INCOME (LOSS)	(1 261 147)	1 660 771
EXPENSES (see notes – Fund Specific Information)		
Management fees	166 234	176 116
Administration fees	13 526	13 680
Independent Review Committee costs	2	3
GST/HST	17 785	18 765
Transaction costs	4 988	4 578
Withholding tax	292	616
TOTAL EXPENSES	202 827	213 758
INCREASE (DECREASE) IN NAV	\$ (1 463 974)	\$ 1 447 013
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (841 488)	\$ 780 037
ADVISOR SERIES	\$ (16 118)	\$ 13 853
ADVISOR T5 SERIES	\$ (179)	\$ 175
SERIES T5	\$ (1 420)	\$ 971
SERIES T8	\$ (8 541)	\$ 8 013
SERIES D	\$ (55 172)	\$ 54 389
SERIES F	\$ (122 024)	\$ 80 361
SERIES FT5	\$ (1 006)	\$ 601
SERIES FT8	\$ (650)	\$ 709
SERIES I	\$ (2 346)	\$ 3 033
SERIES O	\$ (415 030)	\$ 504 871
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (6.12)	\$ 5.11
ADVISOR SERIES	\$ (6.21)	\$ 5.17
ADVISOR T5 SERIES	\$ (5.02)	\$ 4.80
SERIES T5	\$ (5.47)	\$ 4.48
SERIES T8	\$ (0.82)	\$ 0.78
SERIES D	\$ (5.71)	\$ 5.68
SERIES F	\$ (5.87)	\$ 6.45
SERIES FT5	\$ (5.35)	\$ 6.38
SERIES FT8	\$ (0.65)	\$ 0.94
SERIES I	\$ (5.36)	\$ 6.04
SERIES O	\$ (4.94)	\$ 6.54

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 463 974)	\$ 1 447 013
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(518 206)	(473 423)
Change in unrealized loss (gain) on investments	2 396 097	(620 746)
(Increase) decrease in accrued receivables	(9 261)	(3 555)
Increase (decrease) in accrued payables	(2 711)	512
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(14 401 958)	(14 150 299)
Proceeds from sale and maturity of investments	14 333 237	13 951 954
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	333 224	151 456
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 817 431	1 761 620
Cash paid on redemption of redeemable units	(2 131 834)	(1 896 139)
Distributions paid to holders of redeemable units	(24 674)	(18 407)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (339 077)	\$ (152 926)
Net increase (decrease) in cash for the period	(5 853)	(1 470)
Cash (bank overdraft), beginning of period	16 137	17 607
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 10 284	\$ 16 137
Interest received (paid)	\$ 16 765	\$ 11 837
Dividends received, net of withholding taxes	\$ 575 801	\$ 530 337

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 700 074	\$ 10 743 946	\$ 195 933	\$ 185 720	\$ 2 646	\$ 2 252	\$ 14 650	\$ 10 695
INCREASE (DECREASE) IN NAV	(841 488)	780 037	(16 118)	13 853	(179)	175	(1 420)	971
Early redemption fees	3	8	—	—	—	—	—	—
Proceeds from redeemable units issued	606 546	929 277	23 219	34 528	251	1 404	5 012	5 603
Reinvestments of distributions to holders of redeemable units	111 339	102 885	2 037	1 748	28	21	202	130
Redemption of redeemable units	(1 848 671)	(1 749 536)	(35 424)	(38 024)	(892)	(1 089)	(2 598)	(2 098)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 130 783)	(717 366)	(10 168)	(1 748)	(613)	336	2 616	3 635
Distributions from net income	(115 226)	(106 543)	(2 205)	(1 892)	(27)	(23)	(180)	(133)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(90)	(94)	(612)	(518)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(115 226)	(106 543)	(2 205)	(1 892)	(117)	(117)	(792)	(651)
NET INCREASE (DECREASE) IN NAV	(2 087 497)	(43 872)	(28 491)	10 213	(909)	394	404	3 955
NAV AT END OF PERIOD	\$ 8 612 577	\$ 10 700 074	\$ 167 442	\$ 195 933	\$ 1 737	\$ 2 646	\$ 15 054	\$ 14 650

For the periods ended December 31 (see note 2 in the generic notes)	Series T8		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 114 561	\$ 104 268	\$ 707 172	\$ 633 384	\$ 1 235 540	\$ 591 601	\$ 9 749	\$ 1 970
INCREASE (DECREASE) IN NAV	(8 541)	8 013	(55 172)	54 389	(122 024)	80 361	(1 006)	601
Early redemption fees	—	—	6	1	2	—	—	—
Proceeds from redeemable units issued	13 760	25 987	100 344	116 048	699 948	677 146	9 349	9 821
Reinvestments of distributions to holders of redeemable units	3 911	4 095	12 691	10 788	24 651	12 380	35	15
Redemption of redeemable units	(27 299)	(18 988)	(114 430)	(96 181)	(199 541)	(107 152)	(4 287)	(2 322)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(9 628)	11 094	(1 389)	30 656	525 060	582 374	5 097	7 514
Distributions from net income	(8 821)	(1 069)	(13 272)	(11 257)	(35 346)	(18 796)	(273)	(121)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	(7 745)	—	—	—	—	(383)	(215)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(8 821)	(8 814)	(13 272)	(11 257)	(35 346)	(18 796)	(656)	(336)
NET INCREASE (DECREASE) IN NAV	(26 990)	10 293	(69 833)	73 788	367 690	643 939	3 435	7 779
NAV AT END OF PERIOD	\$ 87 571	\$ 114 561	\$ 637 339	\$ 707 172	\$ 1 603 230	\$ 1 235 540	\$ 13 184	\$ 9 749

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series FT8		Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 10 143	\$ 6 268	\$ 32 709	\$ 36 235	\$ 5 805 031	\$ 5 210 089	\$ 18 828 208	\$ 17 526 428
INCREASE (DECREASE) IN NAV	(650)	709	(2 346)	3 033	(415 030)	504 871	(1 463 974)	1 447 013
Early redemption fees	—	—	—	—	—	—	11	9
Proceeds from redeemable units issued	2 799	5 151	198	2 208	954 235	557 191	2 415 661	2 364 364
Reinvestments of distributions to holders of redeemable units	387	298	231	300	181 547	149 940	337 059	282 600
Redemption of redeemable units	(3 359)	(1 627)	(1 326)	(8 303)	(501 078)	(465 724)	(2 738 905)	(2 491 044)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(173)	3 822	(897)	(5 795)	634 704	241 407	13 826	155 929
Distributions from net income	(224)	(155)	(777)	(764)	(183 670)	(151 336)	(360 021)	(292 089)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	(638)	(501)	—	—	—	—	(1 723)	(9 073)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(862)	(656)	(777)	(764)	(183 670)	(151 336)	(361 744)	(301 162)
NET INCREASE (DECREASE) IN NAV	(1 685)	3 875	(4 020)	(3 526)	36 004	594 942	(1 811 892)	1 301 780
NAV AT END OF PERIOD	\$ 8 458	\$ 10 143	\$ 28 689	\$ 32 709	\$ 5 841 035	\$ 5 805 031	\$ 17 016 316	\$ 18 828 208

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term returns consisting of regular dividend income and modest long-term capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	40.8	43.7
Energy	17.6	20.1
Industrials	10.1	8.3
Communication Services	7.3	4.3
Utilities	5.9	4.7
Consumer Staples	4.9	4.0
Materials	3.3	3.3
Real Estate	2.5	2.8
Consumer Discretionary	1.7	3.3
Health Care	1.4	0.7
Bonds	0.3	0.4
Information Technology	0.2	0.2
Cash/Other	4.0	4.2
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	16 286 441	–	–	16 286 441
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	47 154	–	47 154
Short-term investments	–	647 074	–	647 074
Derivatives – assets	–	923	–	923
Derivatives – liabilities	–	(6 334)	–	(6 334)
Total financial instruments	16 286 441	688 817	–	16 975 258
% of total portfolio	95.9	4.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	17 696 240	265 023	–	17 961 263
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	81 509	–	81 509
Short-term investments	–	719 145	–	719 145
Derivatives – assets	–	2 039	–	2 039
Derivatives – liabilities	–	(2 330)	–	(2 330)
Total financial instruments	17 696 240	1 065 386	–	18 761 626
% of total portfolio	94.3	5.7	–	100.0

For the period ended December 31, 2018, there were transfers of \$265,023 of financial instruments into Level 1 from Level 2. The securities transferred into Level 1 relate to the exchange of a restricted-trading, discount-priced security for a listed, actively-traded equity position. For the period ended December 31, 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.10%
Advisor Series	1.50%	0.10%
Advisor T5 Series	1.50%	0.10%
Series T5	1.50%	0.10%
Series T8	1.50%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series FT8	0.60%	0.10%
Series I	0.44%	0.02%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor T5 Series	19	18
Series FT5	19	18
Series FT8	122	112
Value of all units	3	4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	146 666	156 870
Issued number of units	8 559	13 298
Reinvested number of units	1 603	1 462
Redeemed number of units	(26 072)	(24 964)
Ending number of units	130 756	146 666
Advisor Series		
Opening units	2 669	2 695
Issued number of units	326	490
Reinvested number of units	29	25
Redeemed number of units	(497)	(541)
Ending number of units	2 527	2 669
Advisor T5 Series		
Opening units	41	35
Issued number of units	4	23
Reinvested number of units	–	–
Redeemed number of units	(14)	(17)
Ending number of units	31	41
Series T5		
Opening units	242	181
Issued number of units	86	94
Reinvested number of units	4	2
Redeemed number of units	(45)	(35)
Ending number of units	287	242
Series T8		
Opening units	10 760	9 714
Issued number of units	1 391	2 442
Reinvested number of units	394	388
Redeemed number of units	(2 738)	(1 784)
Ending number of units	9 807	10 760

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	9 680	9 240
Issued number of units	1 415	1 654
Reinvested number of units	182	153
Redeemed number of units	(1 611)	(1 367)
Ending number of units	9 666	9 680
Series F		
Opening units	16 438	8 387
Issued number of units	9 578	9 359
Reinvested number of units	344	170
Redeemed number of units	(2 729)	(1 478)
Ending number of units	23 631	16 438
Series FT5		
Opening units	142	30
Issued number of units	143	147
Reinvested number of units	1	–
Redeemed number of units	(66)	(35)
Ending number of units	220	142
Series FT8		
Opening units	941	583
Issued number of units	277	480
Reinvested number of units	38	28
Redeemed number of units	(330)	(150)
Ending number of units	926	941
Series I		
Opening units	443	523
Issued number of units	4	31
Reinvested number of units	3	4
Redeemed number of units	(19)	(115)
Ending number of units	431	443
Series O		
Opening units	78 018	74 600
Issued number of units	13 296	7 854
Reinvested number of units	2 555	2 090
Redeemed number of units	(6 873)	(6 526)
Ending number of units	86 996	78 018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	4 988	100	4 578	100
Related-party brokerage commissions*	1 162	23	1 006	22
Commission arrangements [†]	553	11	381	8

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 051 083	1 013 460
Fair value of collateral received	1 072 104	1 033 730

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 693	100	1 969	100
RBC IS (paid)	(423)	(25)	(545)	(28)
Tax withheld	(20)	(1)	(81)	(4)
Fund revenue	1 250	74	1 343	68

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Managed Payout Solution	1.5	1.5
RBC Managed Payout Solution – Enhanced	2.3	2.2
RBC Managed Payout Solution – Enhanced Plus	2.3	2.4
RBC Select Aggressive Growth Portfolio	0.6	0.5
RBC Select Balanced Portfolio	9.8	8.0
RBC Select Choices Balanced Portfolio	0.1	0.1
RBC Select Choices Conservative Portfolio	–	–
RBC Select Conservative Portfolio	8.2	6.9
RBC Select Growth Portfolio	2.3	1.9
RBC Select Very Conservative Portfolio	2.5	2.3
RBC Target 2020 Education Fund	–	0.1
RBC Target 2025 Education Fund	0.2	0.2
RBC Target 2030 Education Fund	0.2	0.2
RBC Target 2035 Education Fund	–	–
Total	30.0	26.3

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	923	(6 334)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	923	(6 334)
Related amounts not set-off	(612)	612
Collateral (received) pledged	–	1 051
Net amount	311	(4 671)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	2 039	(2 330)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	2 039	(2 330)
Related amounts not set-off	(818)	818
Collateral (received) pledged	–	–
Net amount	1 221	(1 512)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
631 864	BCE Inc.	\$ 20 823	\$ 34 076	
276 165	Quebecor Inc., Class B	4 972	7 937	
171 771	Rogers Communications Inc., Class B	8 107	12 017	
322 316	Shaw Communications Inc., Class B	7 641	7 964	
465 181	TELUS Corp.	15 884	21 049	
		57 427	83 043	4.0
Consumer Discretionary				
585 994	Aritzia Inc.	9 638	9 610	
159 055	Canadian Tire Corp. Ltd., Class A	26 031	22 704	
504 798	Magna International Inc., Class A	31 886	31 282	
151 524	Restaurant Brands International Inc.	11 451	10 807	
		79 006	74 403	3.6
Consumer Staples				
441 966	Alimentation Couche-Tard Inc.	16 447	30 014	
356 632	Empire Co. Ltd., Class A	8 812	10 282	
292 877	George Weston Ltd.	28 446	26 374	
143 393	Loblaw Companies Ltd.	6 431	8 763	
389 418	Maple Leaf Foods Inc.	8 304	10 643	
191 979	Metro Inc., Class A	7 857	9 088	
439 831	Saputo Group Inc.	17 595	17 237	
		93 892	112 401	5.4
Energy				
1 017 542	ARC Resources Ltd.	22 994	8 242	
1 748 731	Canadian Natural Resources Ltd.	56 875	57 603	
674 611	Cenovus Energy Inc.	12 636	6 476	
2 130 867	Enbridge Inc.	97 642	90 370	
538 710	Gibson Energy Inc.	9 705	10 063	
354 439	Imperial Oil Ltd.	16 356	12 260	
395 730	Keyera Corp.	15 189	10 213	
436 931	Kinder Morgan Canada Ltd.	7 223	6 959	
729 156	Pembina Pipeline Corp.	30 432	29 538	
361 741	PrairieSky Royalty Ltd.	10 858	6 392	
1 844 240	Suncor Energy Inc.	60 926	70 321	
1 177 692	TransCanada Corp.	61 330	57 412	
234 842	Vermilion Energy Inc.	9 845	6 754	
		412 011	372 603	17.9
Financials				
625 381	Bank of Montreal	44 091	55 778	
1 581 771	Bank of Nova Scotia	95 269	107 640	
957 618	Brookfield Asset Management Inc., Class A	22 858	50 103	
419 833	Canadian Imperial Bank of Commerce	43 280	42 689	
694 590	ECN Capital Corp.	2 537	2 396	
1 091 693	Element Fleet Management Corp.	8 244	7 544	
190 000	Great-West Lifeco Inc.	5 292	5 354	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
2 816 620	Manulife Financial Corporation	\$ 57 278	\$ 54 558	
90 000	National Bank of Canada	5 298	5 045	
139 470	Onex Corporation	8 536	10 370	
1 558 430	Royal Bank of Canada*	101 991	145 620	
726 227	Sun Life Financial Inc.	27 645	32 891	
1 537 350	Toronto-Dominion Bank	68 328	104 325	
		490 647	624 313	29.9
Health Care				
848 705	Chartwell Retirement Residences Real Estate Investment Trust	9 460	11 602	
		9 460	11 602	0.6
Industrials				
736 149	Air Canada	17 000	19 110	
4 210 000	Bombardier Inc., Class B	14 363	8 546	
245 839	Brookfield Business Partners LP	9 376	10 222	
551 901	Canadian National Railway Co.	23 738	55 803	
97 683	Canadian Pacific Railway Ltd.	15 390	23 663	
773 972	Finning International Inc.	21 339	18 421	
483 317	SNC-Lavalin Group Inc.	23 484	22 194	
362 791	Thomson Reuters Corp.	16 634	23 919	
132 384	Waste Connections Inc.	7 734	13 414	
		149 058	195 292	9.4
Information Technology				
163 600	Celestica Inc.	1 933	1 957	
140 000	CGI Group Inc., Class A	11 495	11 690	
228 831	Open Text Corp.	9 264	10 183	
38 414	Shopify Inc., Class A	1 915	7 252	
		24 607	31 082	1.5
Materials				
253 084	Agnico Eagle Mines Ltd.	11 309	13 945	
250 979	Alamos Gold Inc., Class A	1 833	1 232	
1 869 464	B2Gold Corp.	6 243	7 459	
631 239	Barrick Gold Corp.	12 850	11 634	
4 071 430	Beretta Farms Inc.† (Private)	5 700	326	
80 729	CCL Industries, Class B	5 371	4 041	
263 848	Detour Gold Corp.	4 182	3 042	
209 036	Endeavour Mining Corp.	4 215	4 670	
596 473	First Quantum Minerals Ltd.	8 559	6 585	
107 900	Franco-Nevada Corp.	10 808	10 329	
276 056	Goldcorp Inc.	4 878	3 691	
90 152	IAMGOLD Corporation	701	452	
105 915	Interfor Corp.	1 257	1 527	
410 000	Kinross Gold Corp.	2 131	1 804	
386 804	Kirkland Lake Gold Ltd.	5 295	13 770	
869 351	Nutrien Ltd.	57 512	55 743	
723 500	OceanaGold Corp.	2 993	3 603	
787 531	Semafo Inc.	2 859	2 323	
762 195	Teck Resources Ltd., Class B	16 918	22 401	
252 736	Torex Gold Resources Inc.	4 003	3 283	
192 953	Wheaton Precious Metals Corp.	5 517	5 142	
		175 134	177 002	8.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
1 022 840	Brookfield Property Partners LP	\$ 21 476	\$ 22 523	
981 214	Choice Properties Real Estate Investment Trust	11 500	11 304	
889 321	CT Real Estate Investment Trust	11 504	10 254	
1 829 590	Dream Unlimited Corp.	12 149	12 514	
676 285	First Capital Realty Inc.	13 229	12 748	
723 093	RioCan Real Estate Investment Trust	17 183	17 210	
1 449 912	Tricon Capital Group Inc.	14 922	14 050	
		101 963	100 603	4.8
Utilities				
791 252	Algonquin Power & Utilities Corp.	9 887	10 864	
335 874	AltaGas Ltd.	5 509	4 669	
53 028	Atco Ltd., Class 1, Non-Voting	2 371	2 047	
700 000	Boralex Inc., Class A	11 672	11 788	
242 898	Brookfield Infrastructure Partners LP	11 807	11 453	
445 342	Fortis Inc.	16 855	20 268	
792 000	Northland Power Inc.	16 808	17 186	
1 785 568	TransAlta Corp.	11 867	9 981	
		86 776	88 256	4.2
TOTAL CANADIAN EQUITIES		1 679 981	1 870 600	89.8
UNITED STATES EQUITIES				
Communication Services				
5 988	Alphabet Inc., Class A	6 210	8 550	
		6 210	8 550	0.4
Consumer Staples				
100 000	Mondelez International Inc.	5 561	5 465	
		5 561	5 465	0.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
30 645	Berkshire Hathaway Inc., Class B	\$ 5 566	\$ 8 552	
		5 566	8 552	0.4
Health Care				
88 015	UnitedHealth Group Incorporated	7 265	29 940	
		7 265	29 940	1.4
Industrials				
290 000	Quanta Services Inc.	12 368	11 917	
75 000	United Technologies Corp.	12 222	10 900	
		24 590	22 817	1.1
Information Technology				
67 816	Microsoft Corp.	4 067	9 412	
		4 067	9 412	0.5
Materials				
55 000	Newmont Mining Corporation	2 500	2 602	
		2 500	2 602	0.1
Utilities				
865 000	TerraForm Power Inc., Class A	12 216	13 250	
		12 216	13 250	0.6
TOTAL UNITED STATES EQUITIES		67 975	100 588	4.8
TOTAL EQUITIES		1 747 956	1 971 188	94.6
UNDERLYING FUNDS				
16 153 465	RBC Canadian Small & Mid-Cap Resources Fund*	154 310	75 225	
TOTAL UNDERLYING FUNDS		154 310	75 225	3.6

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
3 500	DHX Media Ltd., Convertible	5.875	30-Sep-2024	\$ 3 500	\$ 2 940	
TOTAL BONDS				3 500	2 940	0.1
SHORT-TERM INVESTMENTS[‡]				26 282	26 282	1.3
TOTAL INVESTMENTS				1 932 048	2 075 635	99.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	319	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(2 555)	(0.1)
TOTAL PORTFOLIO				\$ 1 932 048	2 073 399	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					10 250	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 2 083 649	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 850 Sold CAD 1 104 @ 0.7700	14-Jan-2019	\$ 56
Bought USD 500 Sold CAD 670 @ 0.7462	14-Jan-2019	12
Bought USD 150 Sold CAD 205 @ 0.7333	14-Jan-2019	–
Bought USD 2 600 Sold CAD 3 436 @ 0.7568	24-Jan-2019	113
Bought USD 2 375 Sold CAD 3 152 @ 0.7535	24-Jan-2019	88
Bought USD 800 Sold CAD 1 085 @ 0.7376	11-Feb-2019	6
Bought USD 625 Sold CAD 849 @ 0.7364	04-Mar-2019	3
Bought USD 490 Sold CAD 655 @ 0.7478	19-Mar-2019	13
Bought USD 875 Sold CAD 1 176 @ 0.7438	19-Mar-2019	16
Bought USD 1 000 Sold CAD 1 350 @ 0.7405	19-Mar-2019	12
	\$	319

Contracts	Maturity Date	Unrealized Loss
Bought CAD 6 585 Sold USD 5 102 @ 1.2906	04-Jan-2019	\$ (380)
Bought CAD 1 635 Sold USD 1 250 @ 1.3083	04-Jan-2019	(71)
Bought CAD 3 034 Sold USD 2 300 @ 1.3192	11-Jan-2019	(105)
Bought CAD 3 103 Sold USD 2 430 @ 1.2771	14-Jan-2019	(213)
Bought CAD 4 659 Sold USD 3 638 @ 1.2808	18-Jan-2019	(305)
Bought CAD 1 487 Sold USD 1 139 @ 1.3054	24-Jan-2019	(67)
Bought CAD 2 877 Sold USD 2 200 @ 1.3080	24-Jan-2019	(124)
Bought CAD 6 750 Sold USD 5 200 @ 1.2981	25-Jan-2019	(343)
Bought CAD 4 192 Sold USD 3 229 @ 1.2983	29-Jan-2019	(213)
Bought CAD 2 456 Sold USD 1 881 @ 1.3055	04-Feb-2019	(110)
Bought CAD 786 Sold USD 600 @ 1.3103	04-Feb-2019	(32)
Bought CAD 593 Sold USD 435 @ 1.3626	04-Feb-2019	(1)
Bought CAD 3 802 Sold USD 2 845 @ 1.3363	06-Feb-2019	(79)
Bought CAD 4 681 Sold USD 3 576 @ 1.3089	12-Feb-2019	(196)
Bought CAD 4 004 Sold USD 3 016 @ 1.3275	04-Mar-2019	(108)
Bought CAD 1 068 Sold USD 800 @ 1.3345	04-Mar-2019	(23)
Bought CAD 1 017 Sold USD 766 @ 1.3276	11-Mar-2019	(27)
Bought CAD 990 Sold USD 750 @ 1.3204	12-Mar-2019	(32)
Bought CAD 4 546 Sold USD 3 406 @ 1.3348	14-Mar-2019	(96)
Bought CAD 1 369 Sold USD 1 023 @ 1.3378	19-Mar-2019	(26)
Bought CAD 251 Sold USD 187 @ 1.3406	21-Mar-2019	(4)
	\$	(2 555)
TOTAL FOREIGN EXCHANGE	\$	(2 236)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Illiquid security.

‡ Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.09% and mature between January 3, 2019 and January 7, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 075 635	\$ 2 489 573
Cash	939	1 699
Due from investment dealers	—	96
Subscriptions receivable	5 711	514
Unrealized gain on foreign exchange contracts	319	624
Dividends receivable, interest accrued and other assets	6 665	5 650
TOTAL ASSETS	2 089 269	2 498 156
LIABILITIES		
Due to investment dealers	—	602
Redemptions payable	582	943
Unrealized loss on foreign exchange contracts	2 555	503
Distributions payable	—	32
Accounts payable and accrued expenses	2 483	3 053
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5 620	5 133
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 083 649	\$ 2 493 023
Investments at cost	\$ 1 932 048	\$ 1 973 600
NAV		
SERIES A	\$ 1 361 956	\$ 1 741 919
ADVISOR SERIES	\$ 11 924	\$ 15 671
SERIES T5	\$ 32	\$ 22
SERIES D	\$ 107 533	\$ 126 564
SERIES F	\$ 145 271	\$ 116 721
SERIES FT5	\$ 115	\$ 20
SERIES I	\$ 167 855	\$ 188 503
SERIES O	\$ 288 963	\$ 303 603
NAV PER UNIT		
SERIES A	\$ 21.04	\$ 24.48
ADVISOR SERIES	\$ 21.18	\$ 24.63
SERIES T5	\$ 20.79	\$ 24.24
SERIES D	\$ 21.56	\$ 25.09
SERIES F	\$ 23.37	\$ 27.22
SERIES FT5	\$ 23.43	\$ 27.03
SERIES I	\$ 23.46	\$ 27.32
SERIES O	\$ 19.37	\$ 22.56

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 67 608	\$ 62 511
Interest for distribution purposes	779	525
Income from investment trusts	3 629	1 902
Derivative income	(2 697)	2 536
Net realized gain (loss) on investments	126 186	202 422
Change in unrealized gain (loss) on investments	(374 743)	(62 443)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(179 238)	207 453
Other income (loss)	2	—
Securities lending revenue (see note 7 in the generic notes)	211	218
Net gain (loss) on foreign cash balances	(200)	445
TOTAL OTHER INCOME (LOSS)	13	663
TOTAL INCOME (LOSS)	(179 225)	208 116
EXPENSES (see notes – Fund Specific Information)		
Management fees	27 710	30 610
Administration fees	2 264	2 448
Independent Review Committee costs	2	3
GST/HST	2 980	3 290
Transaction costs	1 727	2 078
Withholding tax	493	261
TOTAL EXPENSES	35 176	38 690
INCREASE (DECREASE) IN NAV	\$ (214 401)	\$ 169 426
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (151 422)	\$ 113 603
ADVISOR SERIES	\$ (1 338)	\$ 1 003
SERIES T5	\$ (3)	\$ 1
SERIES D	\$ (10 576)	\$ 9 070
SERIES F	\$ (12 852)	\$ 6 974
SERIES FT5	\$ (13)	\$ 1
SERIES I	\$ (14 991)	\$ 14 701
SERIES O	\$ (23 206)	\$ 24 073
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.29)	\$ 1.61
ADVISOR SERIES	\$ (2.27)	\$ 1.62
SERIES T5	\$ (1.76)	\$ 1.95
SERIES D	\$ (2.19)	\$ 1.90
SERIES F	\$ (2.40)	\$ 2.40
SERIES FT5	\$ (2.53)	\$ 4.01
SERIES I	\$ (2.21)	\$ 2.33
SERIES O	\$ (1.77)	\$ 2.03

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (214 401)	\$ 169 426
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 727)	(1 184)
Net realized loss (gain) on investments	(124 325)	(200 280)
Change in unrealized loss (gain) on investments	374 743	62 443
(Increase) decrease in accrued receivables	(1 015)	(132)
Increase (decrease) in accrued payables	(570)	(159)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 655 616)	(1 966 872)
Proceeds from sale and maturity of investments	1 822 714	2 130 674
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	199 803	193 916
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	106 307	111 235
Cash paid on redemption of redeemable units	(303 345)	(299 986)
Distributions paid to holders of redeemable units	(3 525)	(5 150)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (200 563)	\$ (193 901)
Net increase (decrease) in cash for the period	(760)	15
Cash (bank overdraft), beginning of period	1 699	1 684
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 939	\$ 1 699
Interest received (paid)	\$ 755	\$ 464
Dividends received, net of withholding taxes	\$ 66 126	\$ 62 179

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 741 919	\$ 1 865 207	\$ 15 671	\$ 15 951	\$ 22	\$ —	\$ 126 564	\$ 124 611
INCREASE (DECREASE) IN NAV	(151 422)	113 603	(1 338)	1 003	(3)	1	(10 576)	9 070
Early redemption fees	—	2	—	—	—	—	—	—
Proceeds from redeemable units issued	40 073	47 458	848	1 298	15	21	9 056	12 704
Reinvestments of distributions to holders of redeemable units	64 557	126 968	563	1 115	1	2	5 874	10 031
Redemption of redeemable units	(267 676)	(282 424)	(3 239)	(2 542)	(1)	—	(17 345)	(19 531)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(163 046)	(107 996)	(1 828)	(129)	15	23	(2 415)	3 204
Distributions from net income	(13 260)	(6 027)	(120)	(54)	—	—	(1 957)	(1 481)
Distributions from net gains	(52 235)	(122 868)	(461)	(1 100)	—	(2)	(4 083)	(8 840)
Distributions from capital	—	—	—	—	(2)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(65 495)	(128 895)	(581)	(1 154)	(2)	(2)	(6 040)	(10 321)
NET INCREASE (DECREASE) IN NAV	(379 963)	(123 288)	(3 747)	(280)	10	22	(19 031)	1 953
NAV AT END OF PERIOD	\$ 1 361 956	\$ 1 741 919	\$ 11 924	\$ 15 671	\$ 32	\$ 22	\$ 107 533	\$ 126 564

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series I	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 116 721	\$ 54 289	\$ 20	\$ —	\$ 188 503	\$ 173 538
INCREASE (DECREASE) IN NAV	(12 852)	6 974	(13)	1	(14 991)	14 701
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	60 989	65 811	122	19	10 015	11 720
Reinvestments of distributions to holders of redeemable units	6 588	7 314	2	1	10 836	16 908
Redemption of redeemable units	(17 456)	(7 713)	(10)	—	(15 672)	(11 456)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	50 121	65 412	114	20	5 179	17 172
Distributions from net income	(3 122)	(1 705)	(2)	—	(4 448)	(3 733)
Distributions from net gains	(5 597)	(8 249)	—	(1)	(6 388)	(13 175)
Distributions from capital	—	—	(4)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(8 719)	(9 954)	(6)	(1)	(10 836)	(16 908)
NET INCREASE (DECREASE) IN NAV	28 550	62 432	95	20	(20 648)	14 965
NAV AT END OF PERIOD	\$ 145 271	\$ 116 721	\$ 115	\$ 20	\$ 167 855	\$ 188 503

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 303 603	\$ 284 049	\$ 2 493 023	\$ 2 517 645
INCREASE (DECREASE) IN NAV	(23 206)	24 073	(214 401)	169 426
Early redemption fees	—	—	—	2
Proceeds from redeemable units issued	48 319	35 909	169 437	174 940
Reinvestments of distributions to holders of redeemable units	18 681	28 014	107 102	190 353
Redemption of redeemable units	(39 518)	(40 142)	(360 917)	(363 808)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	27 482	23 781	(84 378)	1 487
Distributions from net income	(8 173)	(6 907)	(31 082)	(19 907)
Distributions from net gains	(10 743)	(21 393)	(79 507)	(175 628)
Distributions from capital	—	—	(6)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(18 916)	(28 300)	(110 595)	(195 535)
NET INCREASE (DECREASE) IN NAV	(14 640)	19 554	(409 374)	(24 622)
NAV AT END OF PERIOD	\$ 288 963	\$ 303 603	\$ 2 083 649	\$ 2 493 023



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Series T5 and Series FT5 units were started February 15, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.0% (December 31, 2017 – 0.0%) of the NAV of the Fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Financials	30.3	29.9
Energy	17.9	19.0
Industrials	10.5	9.4
Materials	8.6	8.5
Consumer Staples	5.7	4.6
Real Estate	4.8	4.4
Utilities	4.8	5.2
Communication Services	4.4	3.4
Consumer Discretionary	3.6	4.1
Underlying Funds	3.6	4.2
Health Care	2.0	2.3
Information Technology	2.0	3.4
Cash/Other	1.8	1.6
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 970 862	–	326	1 971 188
Underlying funds	75 225	–	–	75 225
Fixed-income				
and debt securities	–	2 940	–	2 940
Short-term investments	–	26 282	–	26 282
Derivatives – assets	–	319	–	319
Derivatives – liabilities	–	(2 555)	–	(2 555)
Total financial instruments	2 046 087	26 986	326	2 073 399
% of total portfolio	98.7	1.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 336 584	9 022	977	2 346 583
Underlying funds	104 044	–	–	104 044
Fixed-income				
and debt securities	–	3 378	–	3 378
Short-term investments	–	35 568	–	35 568
Derivatives – assets	–	624	–	624
Derivatives – liabilities	–	(503)	–	(503)
Total financial instruments	2 440 628	48 089	977	2 489 694
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	977	1 181
Net purchases	–	–
Net sales	–	–
Net transfers in (out)	–	–
Realized gains (losses)	–	–
Change in unrealized gains (losses)	(651)	(204)
Balance at end of period	326	977
Change in unrealized gains (losses) for		
Level 3 assets held at end of period	(651)	(204)



December 31, 2018

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – 0.0%).

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, unless otherwise negotiated, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.12%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series I	0.60%	0.02%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	46	44
Series FT5	42	40
Series I	375	351
Series O	466	435
Value of all units	20	22

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Small & Mid-Cap Resources Fund	3.6	35.0	4.2	33.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	71 173	75 277
Issued number of units	1 690	1 883
Reinvested number of units	3 081	5 208
Redeemed number of units	(11 227)	(11 195)
Ending number of units	64 717	71 173

Advisor Series

Opening units	636	640
Issued number of units	35	52
Reinvested number of units	27	45
Redeemed number of units	(135)	(101)
Ending number of units	563	636



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening units	1	–
Issued number of units	1	1
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	2	1
Series D		
Opening units	5 045	4 905
Issued number of units	374	491
Reinvested number of units	274	401
Redeemed number of units	(705)	(752)
Ending number of units	4 988	5 045
Series F		
Opening units	4 289	1 969
Issued number of units	2 297	2 324
Reinvested number of units	283	270
Redeemed number of units	(654)	(274)
Ending number of units	6 215	4 289
Series FT5		
Opening units	1	–
Issued number of units	4	1
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	5	1
Series I		
Opening units	6 899	6 266
Issued number of units	374	414
Reinvested number of units	464	621
Redeemed number of units	(583)	(402)
Ending number of units	7 154	6 899
Series O		
Opening units	13 458	12 403
Issued number of units	2 248	1 534
Reinvested number of units	969	1 247
Redeemed number of units	(1 755)	(1 726)
Ending number of units	14 920	13 458

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 727	100	2 078	100
Related-party brokerage commissions*	347	20	233	11
Commission arrangements†	268	16	214	10

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	124 194	159 024
Fair value of collateral received	126 678	162 205

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	290	100	312	100
RBC IS (paid)	(73)	(25)	(84)	(27)
Tax withheld	(6)	(2)	(10)	(3)
Fund revenue	211	73	218	70

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Select Choices Aggressive Growth Portfolio	0.8	0.7
RBC Select Choices Balanced Portfolio	0.9	0.8
RBC Select Choices Conservative Portfolio	0.3	0.3
RBC Select Choices Growth Portfolio	1.0	1.0
RBC Target 2020 Education Fund	0.6	0.9
RBC Target 2025 Education Fund	3.9	3.6
RBC Target 2030 Education Fund	4.1	2.9
RBC Target 2035 Education Fund	0.4	0.1
Total	12.0	10.3

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	319	(2 555)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	319	(2 555)
Related amounts not set-off	(304)	304
Collateral (received) pledged	–	–
Net amount	15	(2 251)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	624	(503)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	624	(503)
Related amounts not set-off	(237)	237
Collateral (received) pledged	–	–
Net amount	387	(266)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUBE CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
611 100	BCE Inc.	\$ 34 287	\$ 32 957	
24 100	Corus Entertainment Inc., Class B	111	115	
359 400	Quebecor Inc., Class B	8 804	10 329	
481 420	Rogers Communications Inc., Class B	28 852	33 680	
877 870	TELUS Corp.	39 011	39 724	
		111 065	116 805	7.2
Consumer Discretionary				
364 998	BRP Inc.	18 315	12 899	
33 400	Canadian Tire Corp. Ltd., Class A	5 082	4 768	
149 451	Dollarama Inc.	5 131	4 853	
130 421	Gildan Activewear Inc., Class A	5 044	5 405	
189 700	Great Canadian Gaming Corp.	9 463	9 081	
600 300	Magna International Inc., Class A	38 391	37 201	
656 200	Martinrea International Inc.	8 077	7 126	
39 672	Spin Master Corp.	2 033	1 523	
72 900	The Stars Group Inc	2 108	1 643	
		93 644	84 499	5.2
Consumer Staples				
494 300	Alimentation Couche-Tard Inc.	30 834	33 568	
925 400	Empire Co. Ltd., Class A	23 140	26 679	
110 800	Loblaw Companies Ltd.	6 109	6 771	
		60 083	67 018	4.1
Energy				
1 900 700	Bonavista Energy Corp.	8 386	2 281	
1 131 200	Canadian Natural Resources Ltd.	44 930	37 262	
110 900	Cenovus Energy Inc.	2 061	1 065	
387 400	Crescent Point Energy Corp.	3 668	1 604	
1 693 300	Enbridge Inc.	76 734	71 813	
381 200	Encana Corp.	6 172	3 004	
962 900	Enerplus Corp.	13 651	10 225	
469 500	Gibson Energy Inc.	9 161	8 769	
204 100	Husky Energy Inc.	3 991	2 879	
106 800	Imperial Oil Ltd.	4 330	3 693	
499 800	Inter Pipeline Ltd.	11 468	9 665	
322 000	Nuvista Energy Ltd.	2 370	1 314	
1 063 600	Parex Resources Inc.	17 482	17 390	
708 900	Parkland Fuel Corp.	29 597	25 053	
72 300	Pason Systems Inc.	1 329	1 322	
1 170 100	Pembina Pipeline Corp.	51 114	47 401	
1 286 400	Suncor Energy Inc.	53 265	49 050	
473 500	TransCanada Corp.	26 734	23 083	
		366 443	316 873	19.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
268 160	AGF Management Ltd., Class B	\$ 2 001	\$ 1 293	
775 075	Bank of Montreal	76 334	69 129	
535 400	Bank of Nova Scotia	39 211	36 434	
222 700	Brookfield Asset Management Inc., Class A	12 533	11 652	
70 360	Canaccord Genuity Group Inc.	492	406	
425 169	Canadian Imperial Bank of Commerce	49 764	43 231	
19 700	Equitable Group Inc.	1 316	1 165	
23 500	Fairfax Financial Holdings Ltd.	15 509	14 123	
96 800	First National Financial Corp.	2 768	2 658	
228 100	Genworth MI Canada Inc.	7 158	9 170	
266 000	Home Capital Group Inc.	3 750	3 830	
1 679 020	Manulife Financial Corporation	39 540	32 523	
274 748	National Bank of Canada	16 035	15 400	
196 500	Power Corporation of Canada	5 837	4 820	
32 900	Power Financial Corp.	849	850	
1 223 860	Royal Bank of Canada*	115 097	114 357	
344 900	Sun Life Financial Inc.	16 904	15 621	
1 975 843	Toronto-Dominion Bank	132 504	134 081	
		537 602	510 743	31.4
Health Care				
412 969	Bausch Health Co. Inc.	14 518	10 427	
35 100	Canopy Growth Corp.	1 546	1 285	
77 846	Extencicare Inc.	756	494	
		16 820	12 206	0.7
Industrials				
927 000	Aecon Group Inc.	14 822	16 324	
588 900	Air Canada	9 907	15 288	
120 200	CAE Inc.	3 097	3 016	
364 953	Canadian National Railway Co.	34 352	36 900	
248 000	Canadian Pacific Railway Ltd.	62 717	60 076	
148 800	Ritchie Bros. Auctioneers Inc.	6 997	6 645	
560 200	TFI International Inc.	21 860	19 775	
19 832	Thomson Reuters Corp.	1 320	1 308	
118 605	Toromont Industries Ltd.	6 935	6 436	
316 850	Waste Connections Inc.	29 583	32 106	
19 300	WSP Global Inc.	1 147	1 132	
		192 737	199 006	12.2
Information Technology				
49 400	Constellation Software Inc.	30 892	43 169	
82 800	Enghouse Systems Ltd.	6 481	5 499	
28 800	Shopify Inc., Class A	5 310	5 437	
		42 683	54 105	3.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
612 590	Canfor Corp.	\$ 13 129	\$ 10 126	
235 900	Canfor Pulp Products Inc.	3 848	3 824	
27 400	Centerra Gold Inc.	203	161	
1 328 800	Goldcorp Inc.	20 881	17 766	
582 400	Hudbay Minerals Inc.	5 601	3 762	
1 135 700	IAMGOLD Corporation	7 776	5 690	
155 900	Interfor Corp.	2 997	2 248	
2 907 900	Kinross Gold Corp.	14 314	12 795	
664 000	Kirkland Lake Gold Ltd.	12 860	23 638	
27 400	Lundin Mining Corp.	228	155	
181 408	Methanex Corp.	13 789	11 911	
393 194	Norbord Inc.	14 673	14 273	
233 300	Nutrien Ltd.	14 479	14 959	
1 786 300	OceanaGold Corp.	5 998	8 896	
146 800	Pan American Silver Corp.	3 244	2 926	
959 900	Silvercorp Metals Inc.	4 000	2 736	
591 000	Teck Resources Ltd., Class B	16 431	17 369	
293 300	Torex Gold Resources Inc.	3 241	3 810	
116 900	West Fraser Timber Co. Ltd.	8 058	7 884	
3 037 800	Yamana Gold Inc.	10 385	9 751	
		<u>176 135</u>	<u>174 680</u>	10.7
Real Estate				
46 600	Artis Real Estate Investment Trust	586	431	
209 000	Boardwalk Real Estate Investment Trust	10 042	7 902	
76 100	Brookfield Property Partners LP	1 835	1 676	
187 900	Canadian Apartment Properties Real Estate Investment Trust	6 620	8 324	
264 800	Cominar Real Estate Investment Trust	3 349	2 966	
209 300	Dream Global Real Estate Investment Trust	2 811	2 491	
325 700	Dream Office Real Estate Investment Trust	6 709	7 260	
25 900	Granite Real Estate Investment Trust	1 317	1 378	
143 200	H&R Real Estate Investment Trust	3 272	2 957	
5 400	Morguard Corp.	968	950	
195 550	Northview Apartment Real Estate Investment Trust	4 237	4 787	
360 900	Tricon Capital Group Inc.	4 032	3 497	
		<u>45 778</u>	<u>44 619</u>	2.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
131 600	Brookfield Infrastructure Partners LP	\$ 6 901	\$ 6 205	
657 500	Capital Power Corp.	13 690	17 483	
126 800	Fortis Inc.	5 390	5 771	
503 700	Superior Plus Corp.	6 350	4 876	
1 134 200	TransAlta Corp.	8 312	6 340	
113 000	TransAlta Renewables Inc.	1 215	1 172	
		<u>41 858</u>	<u>41 847</u>	2.6
TOTAL CANADIAN EQUITIES				
		<u>1 684 848</u>	<u>1 622 401</u>	99.6
SHORT-TERM INVESTMENTS[†]				
		<u>1 299</u>	<u>1 299</u>	0.1
TOTAL INVESTMENTS				
		<u>\$1 686 147</u>	<u>1 623 700</u>	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>5 235</u>	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>\$1 628 935</u>	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 623 700	\$ 1 494 237
Cash	395	550
Due from investment dealers	3 097	—
Subscriptions receivable	35	3 097
Dividends receivable, interest accrued and other assets	4 896	3 989
TOTAL ASSETS	1 632 123	1 501 873
LIABILITIES		
Due to investment dealers	3 092	2 592
Redemptions payable	58	104
Distributions payable	5	—
Accounts payable and accrued expenses	33	28
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 188	2 724
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 628 935	\$ 1 499 149
Investments at cost	\$ 1 686 147	\$ 1 360 909
NAV		
SERIES F	\$ 1 194	\$ —
SERIES O	\$ 1 627 741	\$ 1 499 149
NAV PER UNIT		
SERIES F	\$ 8.49	\$ —
SERIES O	\$ 10.58	\$ 12.04

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 49 276	\$ 39 307
Interest for distribution purposes	31	12
Income from investment trusts	782	740
Net realized gain (loss) on investments	6 880	10 224
Change in unrealized gain (loss) on investments	(195 775)	80 861
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(138 806)	131 144
Securities lending revenue (see note 7 in the generic notes)	274	525
Net gain (loss) on foreign cash balances	(2)	9
TOTAL OTHER INCOME (LOSS)	272	534
TOTAL INCOME (LOSS)	(138 534)	131 678
EXPENSES (see notes – Fund Specific Information)		
Management fees	1	—
Administration fees	332	270
Independent Review Committee costs	2	3
GST/HST	42	34
Transaction costs	1 642	2 018
Withholding tax	1	1
TOTAL EXPENSES	2 020	2 326
INCREASE (DECREASE) IN NAV	\$ (140 554)	\$ 129 352
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (89)	\$ —
SERIES O	\$ (140 465)	\$ 129 352
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (1.53)	\$ —
SERIES O	\$ (1.01)	\$ 1.11

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (140 554)	\$ 129 352
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(5 429)	(8 337)
Change in unrealized loss (gain) on investments	195 775	(80 861)
(Increase) decrease in accrued receivables	(907)	56
Increase (decrease) in accrued payables	5	5
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 980 988)	(1 956 255)
Proceeds from sale and maturity of investments	1 658 582	1 790 416
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(273 516)	(125 624)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	310 687	176 735
Cash paid on redemption of redeemable units	(37 318)	(50 842)
Distributions paid to holders of redeemable units	(8)	(6)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 273 361	\$ 125 887
Net increase (decrease) in cash for the period	(155)	263
Cash (bank overdraft), beginning of period	550	287
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 395	\$ 550
Interest received (paid)	\$ 31	\$ 12
Dividends received, net of withholding taxes	\$ 48 369	\$ 39 362

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ 1 499 149	\$ 1 240 909	\$ 1 499 149	\$ 1 240 909
INCREASE (DECREASE) IN NAV	(89)	—	(140 465)	129 352	(140 554)	129 352
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	2 326	—	306 685	179 762	309 011	179 762
Reinvestments of distributions to holders of redeemable units	38	—	67 696	39 807	67 734	39 807
Redemption of redeemable units	(1 038)	—	(37 620)	(50 868)	(38 658)	(50 868)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 326	—	336 761	168 701	338 087	168 701
Distributions from net income	(29)	—	(49 453)	(37 394)	(49 482)	(37 394)
Distributions from net gains	(14)	—	(18 251)	(2 419)	(18 265)	(2 419)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(43)	—	(67 704)	(39 813)	(67 747)	(39 813)
NET INCREASE (DECREASE) IN NAV	1 194	—	128 592	258 240	129 786	258 240
NAV AT END OF PERIOD	\$ 1 194	\$ —	\$ 1 627 741	\$ 1 499 149	\$ 1 628 935	\$ 1 499 149

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of Canadian companies using a quantitative approach.

Series F units were started August 16, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	31.4	33.4
Energy	19.5	17.2
Industrials	12.2	9.7
Materials	10.7	12.7
Communication Services	7.2	7.0
Consumer Discretionary	5.2	7.2
Consumer Staples	4.1	2.0
Information Technology	3.3	2.6
Real Estate	2.7	1.9
Utilities	2.6	4.3
Health Care	0.7	1.6
Cash/Other	0.4	0.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 622 401	–	–	1 622 401
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 299	–	1 299
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 622 401	1 299	–	1 623 700
% of total portfolio	99.9	0.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 492 121	–	–	1 492 121
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 116	–	2 116
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 492 121	2 116	–	1 494 237
% of total portfolio	99.9	0.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	104	—
Series O	178	—
Value of all units	3	—

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	—	—
Issued number of units	250	—
Reinvested number of units	5	—
Redeemed number of units	(114)	—
Ending number of units	141	—
Series O		
Opening units	124 496	109 932
Issued number of units	26 093	15 634
Reinvested number of units	6 444	3 313
Redeemed number of units	(3 141)	(4 383)
Ending number of units	153 892	124 496

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 642	100	2 018	100
Related-party brokerage commissions*	338	21	358	18
Commission arrangements†	2	—	65	3

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	100 136	51 784
Fair value of collateral received	102 139	52 820

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	437	100	791	100
RBC IS (paid)	(110)	(25)	(225)	(28)
Tax withheld	(53)	(12)	(41)	(5)
Fund revenue	274	63	525	67

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Select Aggressive Growth Portfolio	7.4	7.6
RBC Select Balanced Portfolio	62.8	60.1
RBC Select Growth Portfolio	17.4	17.8
RBC Total Return Growth Fund	—	—
Total	87.6	85.5



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUBE LOW VOLATILITY CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
1 209 700	BCE Inc.	\$ 65 872	\$ 65 239	
356 200	Rogers Communications Inc., Class B	23 791	24 920	
782 000	Shaw Communications Inc., Class B	21 228	19 323	
1 468 300	TELUS Corp.	60 739	66 441	
		<u>171 630</u>	<u>175 923</u>	10.5
Consumer Discretionary				
119 400	BRP Inc.	5 263	4 220	
327 708	Dollarama Inc.	15 234	10 641	
460 100	Magna International Inc., Class A	30 093	28 512	
97 700	Martinrea International Inc.	1 031	1 061	
		<u>51 621</u>	<u>44 434</u>	2.7
Consumer Staples				
97 800	Alimentation Couche-Tard Inc.	5 847	6 642	
732 600	George Weston Ltd.	76 047	65 971	
1 138 300	Maple Leaf Foods Inc.	37 986	31 110	
1 360 600	Metro Inc., Class A	56 658	64 411	
1 553 200	Saputo Group Inc.	67 510	60 870	
194 200	The North West Co. Inc.	5 512	6 102	
		<u>249 560</u>	<u>235 106</u>	14.1
Energy				
979 976	Imperial Oil Ltd.	40 871	33 897	
51 924	Suncor Energy Inc.	2 021	1 980	
		<u>42 892</u>	<u>35 877</u>	2.1
Financials				
874 951	Bank of Montreal	79 668	78 037	
1 195 700	Bank of Nova Scotia	82 065	81 367	
440 041	CI Financial Corp.	12 070	7 604	
142 690	Great-West Lifeco Inc.	4 627	4 021	
388 000	Intact Financial Corp.	35 067	38 486	
47 900	National Bank of Canada	3 070	2 685	
2 264 400	Power Financial Corp.	75 386	58 489	
894 400	Royal Bank of Canada*	74 929	83 573	
35 300	Sun Life Financial Inc.	1 824	1 599	
545 900	Toronto-Dominion Bank	34 738	37 045	
		<u>403 444</u>	<u>392 906</u>	23.6
Health Care				
1 009 100	Chartwell Retirement Residences Real Estate Investment Trust	15 009	13 794	
322 454	Extendicare Inc.	2 803	2 048	
1 063 500	Knight Therapeutics Inc.	9 091	8 178	
618 500	Sienna Senior Living Inc.	10 728	9 735	
		<u>37 631</u>	<u>33 755</u>	2.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
2 173 058	CAE Inc.	\$ 37 188	\$ 54 522	
641 500	Canadian National Railway Co.	54 719	64 862	
114 600	Canadian Pacific Railway Ltd.	27 997	27 761	
82 100	Magellan Aerospace Corp.	1 547	1 236	
96 733	Thomson Reuters Corp.	5 311	6 378	
225 200	Toromont Industries Ltd.	8 850	12 219	
293 000	Waste Connections Inc.	29 664	29 690	
45 100	Westshore Terminals Investment Corp.	1 065	928	
350 300	WSP Global Inc.	21 380	20 552	
		<u>187 721</u>	<u>218 148</u>	13.1
Information Technology				
428 400	CGI Group Inc., Class A	30 841	35 771	
75 028	Constellation Software Inc.	56 697	65 564	
40 800	Enghouse Systems Ltd.	3 035	2 710	
16 300	Evertz Technologies Ltd.	281	264	
		<u>90 854</u>	<u>104 309</u>	6.3
Materials				
389 100	Canfor Pulp Products Inc.	10 070	6 308	
292 200	Centerra Gold Inc.	2 098	1 712	
89 200	Franco-Nevada Corp.	8 024	8 539	
20 700	Interfor Corp.	481	298	
204 700	Kirkland Lake Gold Ltd.	5 714	7 287	
176 000	Labrador Iron Ore Royalty Corp.	4 123	4 266	
62 600	Methanex Corp.	5 036	4 110	
25 100	Pan American Silver Corp.	511	500	
507 100	Silvercorp Metals Inc.	1 750	1 445	
205 000	Teck Resources Ltd., Class B	5 784	6 025	
2 042 900	Western Forest Products Inc.	5 069	3 861	
1 595 100	Wheaton Precious Metals Corp.	44 115	42 509	
		<u>92 775</u>	<u>86 860</u>	5.2
Real Estate				
149 116	Canadian Apartment Properties Real Estate Investment Trust	4 855	6 606	
259 800	Crombie Real Estate Investment Trust	3 136	3 253	
65 800	Dream Global Real Estate Investment Trust	903	783	
200 500	Dream Office Real Estate Investment Trust	4 819	4 469	
1 893 001	First Capital Realty Inc.	38 285	35 683	
1 759 700	H&R Real Estate Investment Trust	37 389	36 338	
483 200	Killam Apartment Real Estate Investment Trust	4 775	7 702	
1 500	Morguard Corp.	286	264	
2 405 450	RioCan Real Estate Investment Trust	59 956	57 250	
552 250	SmartCentres Real Estate Investment Trust	18 483	17 026	
		<u>172 887</u>	<u>169 374</u>	10.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
515 500	Brookfield Infrastructure Partners LP	\$ 19 804	\$ 24 306	
606 000	Brookfield Renewable Partners LP	21 582	21 422	
223 514	Canadian Utilities Ltd., Class A	8 645	7 000	
693 700	Capital Power Corp.	17 366	18 445	
3 164 110	Hydro One Ltd.	74 491	64 073	
286 700	TransAlta Corp.	2 033	1 603	
776 461	TransAlta Renewables Inc.	9 338	8 052	
656 100	Valener Inc.	12 562	12 689	
		165 821	157 590	9.5
TOTAL CANADIAN EQUITIES		1 666 836	1 654 282	99.3
SHORT-TERM INVESTMENTS†		801	801	—
TOTAL INVESTMENTS		<u>\$1 667 637</u>	1 655 083	99.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			11 176	0.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$1 666 259</u>		100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 655 083	\$ 2 095 675
Cash	769	913
Due from investment dealers	1 968	–
Subscriptions receivable	2 956	1 955
Dividends receivable, interest accrued and other assets	6 643	7 102
TOTAL ASSETS	1 667 419	2 105 645
LIABILITIES		
Due to investment dealers	–	6 083
Redemptions payable	858	739
Distributions payable	4	7
Accounts payable and accrued expenses	298	384
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 160	7 213
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 666 259	\$ 2 098 432
Investments at cost	\$ 1 667 637	\$ 1 913 310
NAV		
SERIES A	\$ 108 926	\$ 145 765
ADVISOR SERIES	\$ 16 145	\$ 22 192
SERIES T5	\$ 713	\$ 922
SERIES D	\$ 26 144	\$ 34 613
SERIES F	\$ 66 313	\$ 78 772
SERIES FT5	\$ 376	\$ 1 224
SERIES O	\$ 1 447 642	\$ 1 814 944
NAV PER UNIT		
SERIES A	\$ 12.20	\$ 13.60
ADVISOR SERIES	\$ 12.14	\$ 13.53
SERIES T5	\$ 11.75	\$ 13.36
SERIES D	\$ 12.29	\$ 13.72
SERIES F	\$ 12.06	\$ 13.48
SERIES FT5	\$ 11.90	\$ 13.39
SERIES O	\$ 13.14	\$ 14.66

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 54 423	\$ 54 566
Interest for distribution purposes	23	16
Income from investment trusts	6 947	4 749
Net realized gain (loss) on investments	27 469	77 758
Change in unrealized gain (loss) on investments	(194 919)	19 453
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(106 057)	156 542
Securities lending revenue (see note 7 in the generic notes)	189	214
Net gain (loss) on foreign cash balances	(3)	30
TOTAL OTHER INCOME (LOSS)	186	244
TOTAL INCOME (LOSS)	(105 871)	156 786
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 073	3 210
Administration fees	576	581
Independent Review Committee costs	2	3
GST/HST	362	373
Transaction costs	622	889
Withholding tax	(1)	1
TOTAL EXPENSES	4 634	5 057
INCREASE (DECREASE) IN NAV	\$ (110 505)	\$ 151 729
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (9 365)	\$ 8 362
ADVISOR SERIES	\$ (1 381)	\$ 1 325
SERIES T5	\$ (57)	\$ 52
SERIES D	\$ (1 988)	\$ 2 270
SERIES F	\$ (4 399)	\$ 4 249
SERIES FT5	\$ (28)	\$ 42
SERIES O	\$ (93 287)	\$ 135 429
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.98)	\$ 0.82
ADVISOR SERIES	\$ (0.96)	\$ 0.83
SERIES T5	\$ (0.87)	\$ 0.81
SERIES D	\$ (0.87)	\$ 0.95
SERIES F	\$ (0.73)	\$ 1.01
SERIES FT5	\$ (0.26)	\$ 1.34
SERIES O	\$ (0.84)	\$ 1.21

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (110 505)	\$ 151 729
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(26 701)	(77 103)
Change in unrealized loss (gain) on investments	194 919	(19 453)
(Increase) decrease in accrued receivables	459	(2 206)
Increase (decrease) in accrued payables	(86)	93
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 162 804)	(1 962 648)
Proceeds from sale and maturity of investments	1 427 127	1 702 618
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	322 409	(206 970)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	390 431	513 801
Cash paid on redemption of redeemable units	(688 210)	(277 185)
Distributions paid to holders of redeemable units	(24 774)	(29 127)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (322 553)	\$ 207 489
Net increase (decrease) in cash for the period	(144)	519
Cash (bank overdraft), beginning of period	913	394
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 769	\$ 913
Interest received (paid)	\$ 24	\$ 15
Dividends received, net of withholding taxes	\$ 54 883	\$ 52 359

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 145 765	\$ 116 093	\$ 22 192	\$ 20 037	\$ 922	\$ 851	\$ 34 613	\$ 29 197
INCREASE (DECREASE) IN NAV	(9 365)	8 362	(1 381)	1 325	(57)	52	(1 988)	2 270
Early redemption fees	2	—	—	—	—	—	—	2
Proceeds from redeemable units issued	19 569	65 553	2 429	7 961	214	405	7 425	17 800
Reinvestments of distributions to holders of redeemable units	3 433	4 917	479	679	15	13	1 036	1 416
Redemption of redeemable units	(47 004)	(44 166)	(7 052)	(7 047)	(337)	(358)	(13 850)	(14 592)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(24 000)	26 304	(4 144)	1 593	(108)	60	(5 389)	4 626
Distributions from net income	(1 825)	(1 225)	(277)	(186)	(12)	(9)	(693)	(580)
Distributions from net gains	(1 649)	(3 769)	(245)	(577)	(11)	(24)	(399)	(900)
Distributions from capital	—	—	—	—	(21)	(8)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 474)	(4 994)	(522)	(763)	(44)	(41)	(1 092)	(1 480)
NET INCREASE (DECREASE) IN NAV	(36 839)	29 672	(6 047)	2 155	(209)	71	(8 469)	5 416
NAV AT END OF PERIOD	\$ 108 926	\$ 145 765	\$ 16 145	\$ 22 192	\$ 713	\$ 922	\$ 26 144	\$ 34 613

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 78 772	\$ 39 892	\$ 1 224	\$ 180	\$ 1 814 944	\$ 1 533 387	\$ 2 098 432	\$ 1 739 637
INCREASE (DECREASE) IN NAV	(4 399)	4 249	(28)	42	(93 287)	135 429	(110 505)	151 729
Early redemption fees	—	—	—	—	—	—	2	2
Proceeds from redeemable units issued	32 734	57 478	820	1 044	343 960	377 650	407 151	527 891
Reinvestments of distributions to holders of redeemable units	1 900	2 283	2	15	51 933	68 346	58 798	77 669
Redemption of redeemable units	(39 688)	(21 573)	(1 574)	(20)	(594 545)	(203 940)	(704 050)	(291 696)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 054)	38 188	(752)	1 039	(198 652)	242 056	(238 099)	313 866
Distributions from net income	(2 002)	(1 524)	(34)	(9)	(52 883)	(48 789)	(57 726)	(52 322)
Distributions from net gains	(1 004)	(2 033)	(6)	(28)	(22 480)	(47 139)	(25 794)	(54 470)
Distributions from capital	—	—	(28)	—	—	—	(49)	(8)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 006)	(3 557)	(68)	(37)	(75 363)	(95 928)	(83 569)	(106 800)
NET INCREASE (DECREASE) IN NAV	(12 459)	38 880	(848)	1 044	(367 302)	281 557	(432 173)	358 795
NAV AT END OF PERIOD	\$ 66 313	\$ 78 772	\$ 376	\$ 1 224	\$ 1 447 642	\$ 1 814 944	\$ 1 666 259	\$ 2 098 432

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of Canadian companies using a quantitative approach.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	23.6	22.2
Consumer Staples	14.1	12.3
Industrials	13.1	9.6
Communication Services	10.5	9.1
Real Estate	10.2	9.9
Utilities	9.5	10.3
Information Technology	6.3	4.4
Materials	5.2	2.1
Consumer Discretionary	2.7	7.2
Energy	2.1	11.4
Health Care	2.0	1.1
Cash/Other	0.7	0.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.7	+ or - 0.5

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 654 282	—	—	1 654 282
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	801	—	801
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	1 654 282	801	—	1 655 083
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 088 921	—	—	2 088 921
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	6 754	—	6 754
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	2 088 921	6 754	—	2 095 675
% of total portfolio	99.7	0.3	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	100	94
Series FT5	102	96
Series O	205	53
Value of all units	5	3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	10 719	8 764
Issued number of units	1 478	4 827
Reinvested number of units	281	362
Redeemed number of units	(3 553)	(3 234)
Ending number of units	8 925	10 719
Advisor Series		
Opening units	1 640	1 520
Issued number of units	185	587
Reinvested number of units	39	50
Redeemed number of units	(534)	(517)
Ending number of units	1 330	1 640
Series T5		
Opening units	69	64
Issued number of units	17	31
Reinvested number of units	1	1
Redeemed number of units	(26)	(27)
Ending number of units	61	69
Series D		
Opening units	2 523	2 184
Issued number of units	555	1 295
Reinvested number of units	84	103
Redeemed number of units	(1 035)	(1 059)
Ending number of units	2 127	2 523
Series F		
Opening units	5 846	3 038
Issued number of units	2 487	4 230
Reinvested number of units	157	170
Redeemed number of units	(2 992)	(1 592)
Ending number of units	5 498	5 846

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	91	14
Issued number of units	64	77
Reinvested number of units	–	1
Redeemed number of units	(123)	(1)
Ending number of units	32	91
Series O		
Opening units	123 831	107 305
Issued number of units	24 012	25 643
Reinvested number of units	3 945	4 672
Redeemed number of units	(41 593)	(13 789)
Ending number of units	110 195	123 831

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	622	100	889	100
Related-party brokerage commissions*	83	13	196	22
Commission arrangements†	1	–	10	1

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	108 848	178 440
Fair value of collateral received	111 025	182 009

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	267	100	307	100
RBC IS (paid)	(67)	(25)	(87)	(28)
Tax withheld	(11)	(4)	(6)	(2)
Fund revenue	189	71	214	70



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC QUBE Low Volatility Canadian Equity Class	1.5	1.4
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.1	–
RBC Retirement 2030 Portfolio	0.1	0.1
RBC Retirement 2035 Portfolio	0.1	–
RBC Retirement 2040 Portfolio	0.1	–
RBC Retirement 2045 Portfolio	–	–
RBC Retirement Income Solution	0.1	–
RBC Select Conservative Portfolio	–	6.6
RBC Select Very Conservative Portfolio	–	3.2
RBC Target 2020 Education Fund	0.3	0.6
RBC Target 2025 Education Fund	2.4	2.1
RBC Target 2030 Education Fund	2.0	1.2
RBC Target 2035 Education Fund	0.1	–
RBC Total Return Growth Fund	–	–
Total	6.9	15.3



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC TREND CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
11 704	Quebecor Inc., Class B	\$ 227	\$ 336	
5 369	Rogers Communications Inc., Class B	344	376	
11 630	TELUS Corp.	509	527	
		1 080	1 239	2.8
Consumer Discretionary				
5 529	Gildan Activewear Inc., Class A	230	230	
		230	230	0.5
Consumer Staples				
4 344	Alimentation Couche-Tard Inc.	290	295	
7 831	Empire Co. Ltd., Class A	226	226	
5 557	Loblaw Companies Ltd.	338	340	
7 157	Metro Inc., Class A	309	339	
11 599	The North West Co. Inc.	356	364	
		1 519	1 564	3.5
Energy				
5 547	Enbridge Inc.	241	235	
		241	235	0.5
Financials				
6 515	Genworth MI Canada Inc.	253	262	
4 132	Intact Financial Corp.	422	410	
		675	672	1.5
Industrials				
12 399	Aecon Group Inc.	233	218	
5 925	Badger Daylighting Ltd.	194	191	
5 024	Thomson Reuters Corp.	298	331	
		725	740	1.6
Materials				
4 649	Kirkland Lake Gold Ltd.	145	166	
38 266	Nevsun Resources Ltd.	225	229	
44 860	OceanaGold Corp.	179	223	
10 219	SSR Mining Inc.	152	169	
		701	787	1.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
8 050	Allied Properties Real Estate Investment Trust	\$ 289	\$ 357	
33 788	Choice Properties Real Estate Investment Trust	420	389	
33 929	Crombie Real Estate Investment Trust	458	425	
18 997	First Capital Realty Inc.	394	358	
7 648	Granite Real Estate Investment Trust	362	407	
17 976	H&R Real Estate Investment Trust	377	371	
23 396	InterRent Real Estate Investment Trust	279	305	
19 848	Killam Apartment Real Estate Investment Trust	311	316	
17 748	Northview Apartment Real Estate Investment Trust	435	434	
18 084	RioCan Real Estate Investment Trust	438	430	
14 510	SmartCentres Real Estate Investment Trust	441	447	
		4 204	4 239	9.5
Utilities				
28 887	Algonquin Power & Utilities Corp.	378	397	
8 744	Fortis Inc.	384	398	
		762	795	1.8
TOTAL CANADIAN EQUITIES				
		10 137	10 501	23.5
UNDERLYING FUNDS				
979 304	iShares Core Canadian Short Term Bond Index Fund	26 694	26 666	
TOTAL UNDERLYING FUNDS				
		26 694	26 666	59.5
Par Value (000s)	Security	Cost	Fair Value	% of Net Assets
SHORT-TERM INVESTMENTS*				
8 672	Bank of Nova Scotia	\$ 8 672	\$ 8 672	
TOTAL SHORT-TERM INVESTMENTS				
		8 672	8 672	19.3
TOTAL INVESTMENTS				
		\$ 45 503	45 839	102.3
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(1 006)	(2.3)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 44 833		100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 45 839	\$ 55 434
Cash	5	2 111
Due from investment dealers	—	231
Subscriptions receivable	14	473
Dividends receivable, interest accrued and other assets	94	170
TOTAL ASSETS	45 952	58 419
LIABILITIES		
Due to investment dealers	1 079	517
Redemptions payable	1	105
Distributions payable	—	1
Accounts payable and accrued expenses	39	53
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 119	676
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 44 833	\$ 57 743
Investments at cost	\$ 45 503	\$ 52 980
NAV		
SERIES A	\$ 10 580	\$ 14 833
ADVISOR SERIES	\$ 1 743	\$ 2 900
SERIES D	\$ 856	\$ 988
SERIES F	\$ 31 653	\$ 39 021
SERIES O	\$ 1	\$ 1
NAV PER UNIT		
SERIES A	\$ 9.64	\$ 10.20
ADVISOR SERIES	\$ 9.64	\$ 10.20
SERIES D	\$ 9.56	\$ 10.12
SERIES F	\$ 9.55	\$ 10.10
SERIES O	\$ 9.43	\$ 9.98

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 288	\$ 1 115
Interest for distribution purposes	9	20
Income from investment trusts	860	201
Net realized gain (loss) on investments	(35)	(995)
Change in unrealized gain (loss) on investments	(2 118)	2 392
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(996)	2 733
Securities lending revenue		
(see note 7 in the generic notes)	8	8
Net gain (loss) on foreign cash balances	—	1
TOTAL OTHER INCOME (LOSS)	8	9
TOTAL INCOME (LOSS)	(988)	2 742
EXPENSES (see notes – Fund Specific Information)		
Management fees	421	429
Administration fees	45	45
Independent Review Committee costs	2	1
GST/HST	39	43
Transaction costs	114	60
TOTAL EXPENSES	621	578
INCREASE (DECREASE) IN NAV	\$ (1 609)	\$ 2 164
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (526)	\$ 575
ADVISOR SERIES	\$ (94)	\$ 107
SERIES D	\$ (31)	\$ 44
SERIES F	\$ (958)	\$ 1 418
SERIES O	\$ —	\$ 20
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.42)	\$ 0.44
ADVISOR SERIES	\$ (0.41)	\$ 0.42
SERIES D	\$ (0.34)	\$ 0.50
SERIES F	\$ (0.33)	\$ 0.50
SERIES O	\$ (0.24)	\$ 1.27



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 609)	\$ 2 164
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	147	1 032
Change in unrealized loss (gain) on investments	2 118	(2 392)
(Increase) decrease in accrued receivables	76	(127)
Increase (decrease) in accrued payables	(14)	39
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(227 052)	(772 352)
Proceeds from sale and maturity of investments	235 175	734 712
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	8 841	(36 924)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	20 518	48 013
Cash paid on redemption of redeemable units	(31 339)	(10 664)
Distributions paid to holders of redeemable units	(126)	(320)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (10 947)	\$ 37 029
Net increase (decrease) in cash for the period	(2 106)	105
Cash (bank overdraft), beginning of period	2 111	2 006
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 5	\$ 2 111
Interest received (paid)	\$ 9	\$ 20
Dividends received, net of withholding taxes	\$ 365	\$ 1 189

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 14 833	\$ 10 855	\$ 2 900	\$ 1 132	\$ 988	\$ 544	\$ 39 021	\$ 5 455
INCREASE (DECREASE) IN NAV	(526)	575	(94)	107	(31)	44	(958)	1 418
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	1 958	7 577	23	2 466	160	776	18 791	37 489
Reinvestments of distributions to holders of redeemable units	117	39	18	16	19	11	501	470
Redemption of redeemable units	(5 652)	(4 158)	(1 080)	(812)	(261)	(376)	(25 115)	(5 258)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 577)	3 458	(1 039)	1 670	(82)	411	(5 823)	32 701
Distributions from net income	(150)	(55)	(24)	(9)	(19)	(11)	(587)	(553)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(150)	(55)	(24)	(9)	(19)	(11)	(587)	(553)
NET INCREASE (DECREASE) IN NAV	(4 253)	3 978	(1 157)	1 768	(132)	444	(7 368)	33 566
NAV AT END OF PERIOD	\$ 10 580	\$ 14 833	\$ 1 743	\$ 2 900	\$ 856	\$ 988	\$ 31 653	\$ 39 021

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 552	\$ 57 743	\$ 18 538
INCREASE (DECREASE) IN NAV	—	20	(1 609)	2 164
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	—	—	20 932	48 308
Reinvestments of distributions to holders of redeemable units	—	—	655	536
Redemption of redeemable units	—	(571)	(32 108)	(11 175)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	—	(571)	(10 521)	37 669
Distributions from net income	—	—	(780)	(628)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(780)	(628)
NET INCREASE (DECREASE) IN NAV	—	(551)	(12 910)	39 205
NAV AT END OF PERIOD	\$ 1	\$ 1	\$ 44 833	\$ 57 743

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by using a systematic trend-following approach to invest primarily in equity securities of Canadian companies and short-term fixed-income securities.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
iShares Core Canadian Short Term		
Bond Index Fund	59.5	22.4
Real Estate	9.5	12.3
Consumer Staples	3.5	3.4
Communication Services	2.8	2.8
Materials	1.8	5.3
Utilities	1.8	10.2
Industrials	1.6	9.5
Financials	1.5	17.0
Consumer Discretionary	0.5	6.0
Energy	0.5	4.6
Information Technology	–	1.8
Health Care	–	0.7
Cash/Other	17.0	4.0
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.4	+ or - 0.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	10 501	–	–	10 501
Underlying funds	26 666	–	–	26 666
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	8 672	–	8 672
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	37 167	8 672	–	45 839
% of total portfolio	81.1	18.9	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	42 505	–	–	42 505
Underlying funds	12 929	–	–	12 929
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	55 434	–	–	55 434
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	105	104
Advisor Series	105	104
Series D	108	105
Series F	109	106
Series O	105	102
Value of all units	5	5

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares Core Canadian Short				
Term Bond Index Fund	59.6	1.2	22.4	0.7

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	1 021
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 454	1 111
Issued number of units	196	758
Reinvested number of units	12	4
Redeemed number of units	(565)	(419)
Ending number of units	1 097	1 454
Advisor Series		
Opening units	284	116
Issued number of units	3	247
Reinvested number of units	2	2
Redeemed number of units	(108)	(81)
Ending number of units	181	284

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	98	56
Issued number of units	16	79
Reinvested number of units	2	1
Redeemed number of units	(26)	(38)
Ending number of units	90	98
Series F		
Opening units	3 863	564
Issued number of units	1 935	3 775
Reinvested number of units	52	47
Redeemed number of units	(2 534)	(523)
Ending number of units	3 316	3 863
Series O		
Opening units	–	58
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	(58)
Ending number of units	–	–

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	114	100	60	100
Related-party brokerage commissions*	27	24	6	10
Commission arrangements†	7	6	5	8

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	2 436	4 233
Fair value of collateral received	2 485	4 318

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	12	100	12	100
RBC IS (paid)	(4)	(25)	(3)	(27)
Tax withheld	–	(4)	(1)	(5)
Fund revenue	8	71	8	68



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC VISION CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
82 828	Quebecor Inc., Class B	\$ 1 764	\$ 2 380	
12 418	Rogers Communications Inc., Class B	675	869	
167 587	Shaw Communications Inc., Class B	4 492	4 141	
21 807	TELUS Corp.	911	987	
		7 843	8 377	4.8
Consumer Discretionary				
45 507	Aritzia Inc.	690	746	
76 761	Dollarama Inc.	2 931	2 492	
46 428	Gildan Activewear Inc., Class A	1 650	1 924	
30 400	Leon's Furniture Ltd.	540	457	
101 300	Real Matters Inc.	546	334	
38 100	Sleep Country Canada Holdings Inc.	1 523	761	
		7 881	6 714	3.9
Consumer Staples				
34 900	Jamieson Wellness Inc.	614	744	
1 262	Lassonde Industries Inc.	306	251	
22 492	Maple Leaf Foods Inc.	639	615	
46 116	Mav Beauty Brands Inc.	612	493	
3 211	Premium Brands Holdings Corp.	383	240	
		2 555	2 343	1.4
Energy				
128 797	ARC Resources Ltd.	1 930	1 043	
254 012	Baytex Energy Corp.	1 086	612	
36 000	Cameco Corp.	431	557	
142 625	Canadian Natural Resources Ltd.	5 704	4 698	
206 397	Cenovus Energy Inc.	2 434	1 981	
205 658	Enbridge Inc.	10 292	8 722	
46 633	Keyera Corp.	1 604	1 204	
66 416	Pembina Pipeline Corp.	2 878	2 691	
82 720	PrairieSky Royalty Ltd.	2 079	1 462	
107 100	Secure Energy Services Inc.	918	751	
126 907	Suncor Energy Inc.	5 436	4 839	
71 906	Tourmaline Oil Corp.	1 806	1 221	
74 870	TransCanada Corp.	4 510	3 650	
163 500	Whitecap Resources Inc.	1 307	711	
		42 415	34 142	19.8
Financials				
65 015	Bank of Montreal	5 974	5 799	
114 943	Bank of Nova Scotia	8 530	7 822	
126 282	Brookfield Asset Management Inc., Class A	6 016	6 607	
21 251	Canadian Imperial Bank of Commerce	2 242	2 161	
259 190	Element Fleet Management Corp.	2 108	1 791	
26 505	Intact Financial Corp.	2 530	2 629	
264 806	Manulife Financial Corporation	6 246	5 129	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
146 030	Royal Bank of Canada*	\$ 13 131	\$ 13 645	
104 672	Sun Life Financial Inc.	5 196	4 741	
186 300	The Westaim Corp.	582	481	
175 822	Toronto-Dominion Bank	11 013	11 931	
		63 568	62 736	36.4
Industrials				
33 799	Badger Daylighting Ltd.	898	1 090	
182 200	Bombardier Inc., Class B	731	370	
7 800	Boyd Group Income Fund	763	881	
69 783	Canadian National Railway Co.	5 991	7 056	
8 925	Canadian Pacific Railway Ltd.	1 677	2 162	
12 850	K-Bro Linen Inc.	460	430	
22 582	Morneau Shepell Inc.	596	565	
32 700	Richelieu Hardware Ltd.	993	742	
19 257	Ritchie Bros. Auctioneers Inc.	739	860	
68 000	Stantec Inc.	2 265	2 034	
31 694	Thomson Reuters Corp.	1 449	2 090	
20 300	Toromont Industries Ltd.	1 061	1 101	
26 768	Waste Connections Inc.	2 165	2 712	
		19 789	22 093	12.8
Information Technology				
104 621	Blackline Safety Corp.	376	547	
49 208	CGI Group Inc., Class A	3 252	4 109	
14 500	Kinaxis Inc.	1 120	956	
64 613	Open Text Corp.	2 615	2 875	
		7 363	8 487	4.9
Materials				
30 719	Agnico Eagle Mines Ltd.	1 654	1 693	
45 784	Alamos Gold Inc., Class A	356	225	
199 000	B2Gold Corp.	672	794	
97 100	Belo Sun Mining Corp.	56	38	
26 070	CCL Industries, Class B	1 621	1 305	
53 100	Continental Gold Inc.	195	119	
30 813	Detour Gold Corp.	422	355	
23 400	Endeavour Mining Corp.	531	523	
141 053	First Quantum Minerals Ltd.	2 045	1 557	
11 411	Franco-Nevada Corp.	926	1 092	
52 125	Goldcorp Inc.	919	697	
35 900	IAMGOLD Corporation	254	180	
47 119	Kinross Gold Corp.	237	207	
45 374	Kirkland Lake Gold Ltd.	852	1 615	
53 278	Nutrien Ltd.	3 395	3 416	
88 500	OceanaGold Corp.	326	441	
42 100	Semafo Inc.	137	124	
42 529	Teck Resources Ltd., Class B	1 023	1 250	
31 408	Torex Gold Resources Inc.	601	408	
80 700	Turquoise Hill Resources Ltd.	283	182	
30 552	Wheaton Precious Metals Corp.	809	814	
		17 314	17 035	9.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
17 600	Altus Group Ltd.	\$ 521	\$ 417	
80 427	Brookfield Property Partners LP	2 300	1 771	
64 700	First Capital Realty Inc.	1 282	1 220	
5 400	FirstService Corp.	454	506	
8 900	Mainstreet Equity Corp.	333	373	
71 244	Tricon Capital Group Inc.	768	690	
		5 657	4 977	2.9
Utilities				
29 124	Brookfield Infrastructure Partners LP	1 415	1 373	
46 332	Fortis Inc.	1 980	2 109	
		3 395	3 482	2.0
TOTAL CANADIAN EQUITIES		177 780	170 386	98.8
SHORT-TERM INVESTMENTS†		1 420	1 420	0.8
TOTAL INVESTMENTS		<u>\$ 179 200</u>	171 806	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			776	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 172 582</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.63% to 1.64% and mature between February 21, 2019 and March 21, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 171 806	\$ 175 497
Cash	256	230
Due from investment dealers	15	116
Subscriptions receivable	59	29
Dividends receivable, interest accrued and other assets	572	335
TOTAL ASSETS	172 708	176 207
LIABILITIES		
Due to investment dealers	—	32
Redemptions payable	48	94
Accounts payable and accrued expenses	78	89
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	126	215
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 172 582	\$ 175 992
Investments at cost	\$ 179 200	\$ 162 910
NAV		
SERIES A	\$ 27 006	\$ 33 102
ADVISOR SERIES	\$ 5 007	\$ 5 223
SERIES D	\$ 20 731	\$ 25 722
SERIES F	\$ 7 807	\$ 6 642
SERIES O	\$ 112 031	\$ 105 303
NAV PER UNIT		
SERIES A	\$ 12.19	\$ 13.97
ADVISOR SERIES	\$ 12.23	\$ 14.01
SERIES D	\$ 12.62	\$ 14.47
SERIES F	\$ 12.74	\$ 14.61
SERIES O	\$ 8.73	\$ 10.02

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 5 334	\$ 2 805
Interest for distribution purposes	29	9
Income from investment trusts	6	26
Net realized gain (loss) on investments	(2 609)	4 214
Change in unrealized gain (loss) on investments	(19 981)	4 290
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(17 221)	11 344
Securities lending revenue (see note 7 in the generic notes)	22	51
Net gain (loss) on foreign cash balances	1	3
TOTAL OTHER INCOME (LOSS)	23	54
TOTAL INCOME (LOSS)	(17 198)	11 398
EXPENSES (see notes – Fund Specific Information)		
Management fees	818	724
Administration fees	90	73
Independent Review Committee costs	2	3
GST/HST	88	78
Transaction costs	102	77
TOTAL EXPENSES	1 100	955
INCREASE (DECREASE) IN NAV	\$ (18 298)	\$ 10 443
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 373)	\$ 2 089
ADVISOR SERIES	\$ (596)	\$ 332
SERIES D	\$ (2 426)	\$ 1 531
SERIES F	\$ (830)	\$ 415
SERIES O	\$ (11 073)	\$ 6 076
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.52)	\$ 0.92
ADVISOR SERIES	\$ (1.55)	\$ 1.04
SERIES D	\$ (1.47)	\$ 1.53
SERIES F	\$ (1.57)	\$ 1.41
SERIES O	\$ (0.97)	\$ 0.82



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (18 298)	\$ 10 443
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	2 677	(4 156)
Change in unrealized loss (gain) on investments	19 981	(4 290)
(Increase) decrease in accrued receivables	(237)	(257)
Increase (decrease) in accrued payables	(11)	31
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(101 542)	(139 805)
Proceeds from sale and maturity of investments	82 644	104 597
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(14 786)	(33 437)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	36 871	46 223
Cash paid on redemption of redeemable units	(21 339)	(12 068)
Distributions paid to holders of redeemable units	(720)	(516)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 14 812	\$ 33 639
Net increase (decrease) in cash for the period	26	202
Cash (bank overdraft), beginning of period	230	28
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 256	\$ 230
Interest received (paid)	\$ 28	\$ 8
Dividends received, net of withholding taxes	\$ 5 292	\$ 2 549

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 33 102	\$ 29 974	\$ 5 223	\$ 3 731	\$ 25 722	\$ 2 869	\$ 6 642	\$ 2 349
INCREASE (DECREASE) IN NAV	(3 373)	2 089	(596)	332	(2 426)	1 531	(830)	415
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	4 155	6 636	990	2 352	1 796	23 825	4 011	4 723
Reinvestments of distributions to holders of redeemable units	534	410	97	65	579	426	187	121
Redemption of redeemable units	(6 874)	(5 587)	(608)	(1 191)	(4 333)	(2 482)	(1 942)	(809)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 185)	1 459	479	1 226	(1 958)	21 769	2 256	4 035
Distributions from net income	(245)	(11)	(45)	(2)	(375)	(122)	(170)	(74)
Distributions from net gains	(293)	(409)	(54)	(64)	(232)	(325)	(91)	(83)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(538)	(420)	(99)	(66)	(607)	(447)	(261)	(157)
NET INCREASE (DECREASE) IN NAV	(6 096)	3 128	(216)	1 492	(4 991)	22 853	1 165	4 293
NAV AT END OF PERIOD	\$ 27 006	\$ 33 102	\$ 5 007	\$ 5 223	\$ 20 731	\$ 25 722	\$ 7 807	\$ 6 642

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 105 303	\$ —	\$ 175 992	\$ 38 923
INCREASE (DECREASE) IN NAV	(11 073)	6 076	(18 298)	10 443
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	28 188	103 146	39 140	140 682
Reinvestments of distributions to holders of redeemable units	3 787	2 269	5 184	3 291
Redemption of redeemable units	(9 775)	(3 471)	(23 532)	(13 540)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	22 200	101 944	20 792	130 433
Distributions from net income	(3 151)	(1 395)	(3 986)	(1 604)
Distributions from net gains	(1 248)	(1 322)	(1 918)	(2 203)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 399)	(2 717)	(5 904)	(3 807)
NET INCREASE (DECREASE) IN NAV	6 728	105 303	(3 410)	137 069
NAV AT END OF PERIOD	\$ 112 031	\$ 105 303	\$ 172 582	\$ 175 992

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide the potential for long-term capital growth to investors seeking exposure to “socially responsible investing.”

Series O units were started May 19, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	36.4	38.1
Energy	19.8	22.8
Industrials	12.8	9.9
Materials	9.9	8.4
Information Technology	4.9	4.7
Communication Services	4.8	0.9
Consumer Discretionary	3.9	9.0
Real Estate	2.9	3.0
Utilities	2.0	1.6
Consumer Staples	1.4	0.9
Cash/Other	1.2	0.7
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	170 386	–	–	170 386
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	1 420	–	1 420
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	170 386	1 420	–	171 806
% of total portfolio	99.2	0.8	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	174 748	–	–	174 748
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	749	–	749
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	174 748	749	–	175 497
% of total portfolio	99.6	0.4	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a†	0.02%

* Effective June 30, 2017, the administration fees for Series A units were reduced to 0.10% from 0.15%.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	109	105
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 369	2 261
Issued number of units	307	489
Reinvested number of units	44	30
Redeemed number of units	(508)	(411)
Ending number of units	2 212	2 369
Advisor Series		
Opening units	373	280
Issued number of units	73	175
Reinvested number of units	8	5
Redeemed number of units	(45)	(87)
Ending number of units	409	373
Series D		
Opening units	1 777	208
Issued number of units	127	1 715
Reinvested number of units	46	30
Redeemed number of units	(309)	(176)
Ending number of units	1 641	1 777
Series F		
Opening units	455	168
Issued number of units	284	335
Reinvested number of units	15	8
Redeemed number of units	(142)	(56)
Ending number of units	612	455
Series O		
Opening units	10 514	–
Issued number of units	2 858	10 638
Reinvested number of units	438	228
Redeemed number of units	(991)	(352)
Ending number of units	12 819	10 514

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	102	100	77	100
Related-party brokerage commissions*	8	8	3	4
Commission arrangements†	6	6	3	4

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	8 493	6 238
Fair value of collateral received	8 663	6 363

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	31	100	70	100
RBC IS (paid)	(8)	(25)	(18)	(25)
Tax withheld	(1)	(2)	(1)	(2)
Fund revenue	22	73	51	73

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Vision Balanced Fund	23.8	22.0



December 31, 2018

Fund merger (000s)

At the close of business on June 30, 2017, the Phillips, Hager & North Community Values Canadian Equity Fund was merged into the RBC Vision Canadian Equity Fund. The acquisition method of accounting was adopted for the fund merger.

Under this method, the Continuing Fund is identified as the acquiring fund and the Terminated Fund is the acquired fund. This identification was based on aspects of the Continuing Fund such as investment objectives, portfolio composition and asset size of the Fund.

Details of the Phillips, Hager & North Community Values Canadian Equity Fund (the “Terminated Fund”) and the RBC Vision Canadian Equity Fund (the “Continuing Fund”) are as follows:

Net assets acquired by Continuing Fund

Series A	\$ 1 627
Advisor Series	\$ 1 937
Series D	\$ 22 548
Series F	\$ 1 771
Series O	\$ 65 195
Exchange ratio Series A	1.95
Units issued by Continuing Fund Series A	122
Exchange ratio Advisor Series	1.94
Units issued by Continuing Fund Advisor Series	144
Exchange ratio Series D	1.86
Units issued by Continuing Fund Series D	1 625
Exchange ratio Series F	1.87
Units issued by Continuing Fund Series F	126
Exchange ratio Series O	2.68
Units issued by Continuing Fund Series O	6 762

The Continuing Fund identified above acquired all of the assets and assumed all of the liabilities of the Terminated Fund at their fair market value, in return for the issuance by the Continuing Fund of its units equal in value to the net assets transferred from the Terminated Fund. As a result, the unitholders of the Terminated Fund became unitholders of the Continuing Fund. After the merger, the Terminated Fund was wound up.

As at June 30, 2017, all of the investments of the Terminated Fund were disposed of at their fair market value to the Continuing Fund.

The financial statements of the Continuing Fund include the operating results of the Terminated Fund from the date of the merger. All comparative information in these financial statements is that of the Continuing Fund only.

Under the tax reorganization rules in the *Income Tax Act* (Canada), the merger took place on a tax-deferred or “rollover” basis, and both the Terminated Fund and the Continuing Fund are deemed to have a taxation year-end as at June 30, 2017. Those investments with unrealized losses were deemed to have been disposed of at their fair market value and investments with unrealized gains were deemed to be disposed of at their fair market value or at their elected amount. The Fund had no tax liability as at June 30, 2017. All capital and non-capital loss carryforwards expired as a result of the fund merger.

None of the costs related to the merger have been charged to the funds or to the unitholders.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC CANADIAN INDEX FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
302 378	BCE Inc.	\$ 12 008	\$ 16 307	
21 900	Cineplex Inc.	405	557	
8 210	Cogeco Communications Inc.	367	540	
40 200	Corus Entertainment Inc., Class B	675	191	
40 527	Quebecor Inc., Class B	468	1 165	
126 726	Rogers Communications Inc., Class B	3 842	8 866	
155 201	Shaw Communications Inc., Class B	3 030	3 835	
209 918	TELUS Corp.	4 858	9 499	
		25 653	40 960	6.0
Consumer Discretionary				
14 400	BRP Inc.	873	509	
19 800	Canada Goose Holdings Inc.	1 534	1 182	
21 100	Canadian Tire Corp. Ltd., Class A	1 117	3 012	
114 600	Dollarama Inc.	1 283	3 721	
9 500	Dorel Industries, Class B	290	168	
71 912	Gildan Activewear Inc., Class A	749	2 980	
20 500	Great Canadian Gaming Corp.	433	981	
37 000	Hudson's Bay Co.	675	270	
16 200	Linamar Corp.	356	734	
114 884	Magna International Inc., Class A	2 826	7 119	
30 799	Martinrea International Inc.	266	334	
83 395	Restaurant Brands International Inc.	3 792	5 948	
52 060	The Stars Group Inc	1 732	1 173	
		15 926	28 131	4.1
Consumer Staples				
150 100	Alimentation Couche-Tard Inc.	1 941	10 193	
48 677	Cott Corporation	535	925	
60 000	Empire Co. Ltd., Class A	1 131	1 730	
25 156	George Weston Ltd.	1 655	2 265	
65 741	Loblaw Companies Ltd.	2 482	4 017	
26 975	Maple Leaf Foods Inc.	442	737	
84 268	Metro Inc., Class A	1 055	3 989	
10 200	Premium Brands Holdings Corp.	602	764	
77 500	Saputo Group Inc.	1 037	3 037	
17 000	The North West Co. Inc.	296	534	
		11 176	28 191	4.1
Energy				
65 116	Advantage Oil & Gas Ltd.	873	129	
92 500	AltaGas Ltd.	2 475	1 286	
124 535	ARC Resources Ltd.	2 843	1 009	
182 584	Baytex Energy Corp.	2 595	440	
96 261	Birchcliff Energy Ltd.	901	294	
138 996	Cameco Corp.	1 975	2 152	
419 038	Canadian Natural Resources Ltd.	9 791	13 803	
359 543	Cenovus Energy Inc.	6 049	3 452	
88 100	CES Energy Solutions Corp.	537	278	
192 161	Crescent Point Energy Corp.	5 826	796	
703 046	Enbridge Inc.	26 621	29 816	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
334 395	Encana Corp.	\$ 5 958	\$ 2 635	
32 325	Enerflex Ltd.	297	517	
86 755	Enerplus Corp.	3 190	921	
43 300	Ensign Energy Services Inc.	413	207	
51 000	Gibson Energy Inc.	1 065	953	
132 000	Gran Tierra Energy Inc.	735	393	
108 702	Husky Energy Inc.	1 828	1 534	
84 700	Imperial Oil Ltd.	2 414	2 930	
136 829	Inter Pipeline Ltd.	2 062	2 646	
55 300	Kelt Exploration Ltd.	570	257	
72 306	Keyera Corp.	1 236	1 866	
88 500	MEG Energy Corp.	2 657	682	
33 600	Mullen Group Ltd.	785	410	
58 300	Nuvista Energy Ltd.	415	238	
193 400	Obsidian Energy Ltd.	262	99	
25 500	Paramount Resources Ltd., Class A	514	183	
52 500	Parex Resources Inc.	638	858	
45 700	Parkland Fuel Corp.	919	1 615	
26 600	Pason Systems Inc.	317	487	
177 305	Pembina Pipeline Corp.	5 134	7 183	
57 600	Peayto Exploration & Development Corp.	1 295	408	
83 258	PrairieSky Royalty Ltd.	2 462	1 471	
102 100	Precision Drilling Corp.	1 456	242	
53 100	Secure Energy Services Inc.	561	372	
97 300	Seven Generations Energy Ltd.	2 012	1 084	
25 391	ShawCor Ltd.	466	421	
576 369	Suncor Energy Inc.	14 537	21 977	
47 100	TORC Oil & Gas Ltd.	536	206	
88 500	Tourmaline Oil Corp.	2 910	1 503	
319 773	TransCanada Corp.	11 859	15 589	
48 795	Vermilion Energy Inc.	1 954	1 403	
146 650	Whitecap Resources Inc.	1 586	638	
		133 529	125 383	18.3
Financials				
227 541	Bank of Montreal	11 243	20 294	
434 886	Bank of Nova Scotia	17 742	29 594	
298 306	Brookfield Asset Management Inc., Class A	4 941	15 607	
156 541	Canadian Imperial Bank of Commerce	10 473	15 917	
30 600	Canadian Western Bank	385	797	
81 500	CI Financial Corp.	1 957	1 408	
105 200	ECN Capital Corp.	300	363	
151 527	Element Fleet Management Corp.	1 586	1 047	
9 461	Fairfax Financial Holdings Ltd.	3 842	5 686	
5 100	First National Financial Corp.	136	140	
13 123	Genworth MI Canada Inc.	355	528	
98 524	Great-West Lifeco Inc.	2 189	2 776	
28 400	Home Capital Group Inc.	475	409	
29 120	IGM Financial Inc.	703	904	
38 901	Industrial Alliance Insurance & Financial Services Inc.	1 068	1 695	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
48 761	Intact Financial Corp.	\$ 2 359	\$ 4 837	
14 900	Laurentian Bank of Canada	528	567	
699 394	Manulife Financial Corporation	14 664	13 547	
118 566	National Bank of Canada	2 523	6 646	
29 376	Onex Corporation	1 221	2 184	
136 821	Power Corporation of Canada	2 950	3 356	
87 100	Power Financial Corp.	1 767	2 250	
509 502	Royal Bank of Canada*	22 457	47 608	
214 196	Sun Life Financial Inc.	7 071	9 701	
19 300	TMX Group Ltd.	1 044	1 365	
650 683	Toronto-Dominion Bank	20 825	44 155	
		134 804	233 381	34.1
Health Care				
69 700	Aphria Inc.	763	547	
267 132	Aurora Cannabis Inc.	2 088	1 811	
121 465	Bausch Health Co. Inc.	5 878	3 067	
62 386	Canopy Growth Corp.	1 799	2 284	
73 800	Chartwell Retirement Residences Real Estate Investment Trust	647	1 009	
		11 175	8 718	1.3
Industrials				
19 800	Aecon Group Inc.	354	349	
96 000	Air Canada	399	2 492	
27 300	ATS Automation Tooling Systems	374	393	
741 015	Bombardier Inc., Class B	6 507	1 504	
6 800	Boyd Group Income Fund	881	768	
95 500	CAE Inc.	736	2 396	
259 153	Canadian National Railway Co.	7 335	26 203	
50 410	Canadian Pacific Railway Ltd.	3 537	12 211	
59 500	Finning International Inc.	707	1 416	
20 208	Maxar Technologies Ltd.	954	330	
20 200	NFI Group Inc.	658	688	
38 600	Ritchie Bros. Auctioneers Inc.	901	1 724	
22 200	Russel Metals Inc.	337	474	
62 327	SNC-Lavalin Group Inc.	1 598	2 862	
39 800	Stantec Inc.	681	1 190	
29 284	TFI International Inc.	369	1 034	
70 007	Thomson Reuters Corp.	3 344	4 616	
27 625	Toromont Industries Ltd.	512	1 499	
25 400	Transcontinental Inc., Class A	352	490	
92 339	Waste Connections Inc.	4 838	9 357	
16 300	Westshore Terminals Investment Corp.	231	335	
36 400	WSP Global Inc.	1 408	2 136	
		37 013	74 467	10.9
Information Technology				
173 163	BlackBerry Ltd.	5 896	1 681	
41 482	Celestica Inc.	710	496	
88 632	CGI Group Inc., Class A	1 784	7 401	
7 041	Constellation Software Inc.	1 631	6 153	
26 800	Descartes Systems Group Inc.	395	966	
6 700	Enghouse Systems Ltd.	370	445	
9 099	Kinaxis Inc.	490	600	
90 500	Open Text Corp.	1 234	4 027	
11 700	Sierra Wireless Inc.	576	214	
		13 086	21 983	3.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
82 189	Agnico Eagle Mines Ltd.	\$ 3 111	\$ 4 529	
47 607	Alacer Gold Corp.	345	120	
137 431	Alamos Gold Inc., Class A	1 162	675	
344 100	B2Gold Corp.	1 075	1 373	
612 772	Barrick Gold Corp.	16 041	11 293	
22 272	Canfor Corp.	252	368	
23 900	Cascades Inc.	396	244	
51 680	CCL Industries, Class B	744	2 587	
78 306	Centerra Gold Inc.	805	459	
95 400	China Gold International Resources Corp Ltd.	188	151	
62 952	Detour Gold Corp.	1 069	726	
58 668	Eldorado Gold Corp.	2 395	235	
25 100	Endeavour Mining Corp.	524	561	
55 000	First Majestic Silver Corp.	635	441	
240 910	First Quantum Minerals Ltd.	3 236	2 660	
64 600	Franco-Nevada Corp.	2 913	6 184	
304 083	Goldcorp Inc.	7 236	4 066	
84 575	Hudbay Minerals Inc.	969	546	
162 304	IAMGOLD Corporation	1 461	813	
223 600	Ivanhoe Mines Ltd., Class A	526	530	
439 747	Kinross Gold Corp.	5 817	1 935	
65 800	Kirkland Lake Gold Ltd.	627	2 342	
223 939	Lundin Mining Corp.	1 662	1 263	
27 323	Methanex Corp.	403	1 794	
104 067	Nevsun Resources Ltd.	495	623	
206 000	New Gold Inc.	1 076	216	
18 300	Norbord Inc.	672	664	
80 700	Novagold Resources Inc.	605	437	
215 573	Nutrien Ltd.	14 063	13 823	
219 516	OceanaGold Corp.	666	1 093	
53 678	Osisko Gold Royalties Ltd.	863	643	
53 406	Pan American Silver Corp.	1 030	1 064	
58 986	Pretium Resources Inc.	726	682	
119 103	Semafo Inc.	587	351	
42 750	SSR Mining Inc.	869	705	
19 800	Stella-Jones Inc.	892	784	
105 100	Tahoe Resources Inc.	1 651	522	
178 278	Teck Resources Ltd., Class B	3 594	5 240	
29 420	Torex Gold Resources Inc.	515	382	
350 694	Turquoise Hill Resources Ltd.	1 828	789	
23 484	West Fraser Timber Co. Ltd.	835	1 584	
155 600	Wheaton Precious Metals Corp.	2 750	4 147	
11 000	Wipak Ltd.	525	525	
333 922	Yamana Gold Inc.	2 770	1 072	
		90 604	81 241	11.9
Real Estate				
35 594	Allied Properties Real Estate Investment Trust	850	1 578	
47 627	Artis Real Estate Investment Trust	476	440	
13 100	Boardwalk Real Estate Investment Trust	284	495	
50 435	Canadian Apartment Properties Real Estate Investment Trust	673	2 234	
81 716	Choice Properties Real Estate Investment Trust	980	941	
12 000	Colliers International Group Inc.	316	903	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
65 542	Cominar Real Estate Investment Trust	\$ 929	\$ 734	
64 529	Dream Global Real Estate Investment Trust	882	768	
18 086	Dream Office Real Estate Investment Trust	396	403	
55 672	First Capital Realty Inc.	972	1 049	
10 700	FirstService Corp.	163	1 002	
16 000	Granite Real Estate Investment Trust	570	851	
100 118	H&R Real Estate Investment Trust	1 883	2 067	
7 500	Morguard Real Estate Investment Trust	107	86	
17 231	Northview Apartment Real Estate Investment Trust	411	422	
107 276	RioCan Real Estate Investment Trust	1 791	2 553	
41 200	SmartCentres Real Estate Investment Trust	823	1 270	
		12 506	17 796	2.6
Utilities				
162 100	Algonquin Power & Utilities Corp.	1 673	2 226	
26 344	Atco Ltd., Class I, Non-Voting	496	1 017	
41 600	Canadian Utilities Ltd., Class A	726	1 303	
36 100	Capital Power Corp.	886	960	
81 300	Emera Inc.	2 427	3 554	
149 300	Fortis Inc.	4 791	6 795	
110 300	Hydro One Ltd.	2 591	2 234	
44 400	Innergex Renewable Energy Inc.	494	557	
37 614	Just Energy Group Inc.	560	170	
40 600	Northland Power Inc.	631	881	
50 300	Superior Plus Corp.	633	487	
104 000	TransAlta Corp.	1 990	581	
32 700	TransAlta Renewables Inc.	410	339	
		18 308	21 104	3.1
TOTAL CANADIAN EQUITIES		\$ 503 780	681 355	99.6
OTHER NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
				2 361
NET ASSETS ATTRIBUTABLE TO				
HOLDERS OF REDEEMABLE UNITS				
				\$ 683 716
				100.0

* Investment in related party (see note 8 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 681 355	\$ 781 588
Cash	2 048	1 168
Due from investment dealers	6 119	–
Subscriptions receivable	759	395
Dividends receivable, interest accrued and other assets	2 187	1 975
TOTAL ASSETS	692 468	785 126
LIABILITIES		
Due to investment dealers	5 968	–
Redemptions payable	2 402	429
Accounts payable and accrued expenses	382	434
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	8 752	863
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 683 716	\$ 784 263
Investments at cost	\$ 503 780	\$ 491 006
NAV		
SERIES A	\$ 663 165	\$ 773 029
SERIES F	\$ 20 551	\$ 11 234
NAV PER UNIT		
SERIES A	\$ 26.83	\$ 30.37
SERIES F	\$ 9.93	\$ 11.25

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 23 584	\$ 20 301
Interest for distribution purposes	9	1
Income from investment trusts	471	574
Net realized gain (loss) on investments	23 028	13 590
Change in unrealized gain (loss) on investments	(113 007)	30 138
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(65 915)	64 604
Securities lending revenue (see note 7 in the generic notes)	287	213
Net gain (loss) on foreign cash balances	3	3
TOTAL OTHER INCOME (LOSS)	290	216
TOTAL INCOME (LOSS)	(65 625)	64 820
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 685	3 710
Administration fees	755	926
Independent Review Committee costs	2	3
GST/HST	465	485
Transaction costs	22	46
Withholding tax	–	2
TOTAL EXPENSES	4 929	5 172
INCREASE (DECREASE) IN NAV	\$ (70 554)	\$ 59 648
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (68 728)	\$ 59 003
SERIES F	\$ (1 826)	\$ 645
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.79)	\$ 2.34
SERIES F	\$ (1.18)	\$ 1.05



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (70 554)	\$ 59 648
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(22 980)	(13 540)
Change in unrealized loss (gain) on investments	113 007	(30 138)
(Increase) decrease in accrued receivables	(212)	(200)
Increase (decrease) in accrued payables	(52)	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(58 227)	(94 748)
Proceeds from sale and maturity of investments	68 282	69 829
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	29 264	(9 149)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	93 107	111 705
Cash paid on redemption of redeemable units	(121 093)	(103 347)
Distributions paid to holders of redeemable units	(398)	(279)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (28 384)	\$ 8 079
Net increase (decrease) in cash for the period	880	(1 070)
Cash (bank overdraft), beginning of period	1 168	2 238
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 048	\$ 1 168
Interest received (paid)	\$ 9	\$ 1
Dividends received, net of withholding taxes	\$ 23 372	\$ 20 673

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 773 029	\$ 712 717	\$ 11 234	\$ 3 875	\$ 784 263	\$ 716 592
INCREASE (DECREASE) IN NAV	(68 728)	59 003	(1 826)	645	(70 554)	59 648
Early redemption fees	2	4	—	—	2	4
Proceeds from redeemable units issued	90 328	110 170	14 534	8 692	104 862	118 862
Reinvestments of distributions to holders of redeemable units	16 934	13 961	517	191	17 451	14 152
Redemption of redeemable units	(131 209)	(108 656)	(3 250)	(1 908)	(134 459)	(110 564)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(23 945)	15 479	11 801	6 975	(12 144)	22 454
Distributions from net income	(17 191)	(14 170)	(658)	(261)	(17 849)	(14 431)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(17 191)	(14 170)	(658)	(261)	(17 849)	(14 431)
NET INCREASE (DECREASE) IN NAV	(109 864)	60 312	9 317	7 359	(100 547)	67 671
NAV AT END OF PERIOD	\$ 663 165	\$ 773 029	\$ 20 551	\$ 11 234	\$ 683 716	\$ 784 263

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by tracking the performance of the FTSE Canada All Cap Domestic Index.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	34.1	36.2
Energy	18.3	20.3
Materials	11.9	11.3
Industrials	10.9	9.5
Communication Services	6.0	4.8
Consumer Discretionary	4.1	5.3
Consumer Staples	4.1	3.8
Information Technology	3.2	2.8
Utilities	3.1	2.8
Real Estate	2.6	2.3
Health Care	1.3	0.6
Cash/Other	0.4	0.3
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	681 355	–	–	681 355
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	681 355	–	–	681 355
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	781 588	–	–	781 588
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	781 588	–	–	781 588
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees†
Series A	0.50%	0.10%
Series F	0.05%	0.10%

* Effective June 30, 2017, the management fees for Series F units were reduced to 0.05% from 0.40%.

† Effective June 30, 2017, the administration fees for Series A units were reduced to 0.10% from 0.15%.



December 31, 2018

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	108	105
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	91 933
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	25 452	24 931
Issued number of units	3 056	3 757
Reinvested number of units	635	461
Redeemed number of units	(4 424)	(3 697)
Ending number of units	24 719	25 452
Series F		
Opening units	998	365
Issued number of units	1 317	790
Reinvested number of units	52	17
Redeemed number of units	(297)	(174)
Ending number of units	2 070	998

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	22	100	46	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	59 605	67 941
Fair value of collateral received	60 797	69 300

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	412	100	316	100
RBC IS (paid)	(103)	(25)	(85)	(27)
Tax withheld	(22)	(5)	(18)	(6)
Fund revenue	287	70	213	67

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in equity securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. In addition, the benchmark index will be changed to the S&P/TSX Capped Composite Total Return Index and the sub-advisor of the Fund will change to BlackRock Asset Management Canada Limited. If the change in investment objective is approved, all changes are expected to be effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC O'SHAUGHNESSY CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
CANADIAN EQUITIES				
Communication Services				
58 192	Cineplex Inc.	\$ 2 076	\$ 1 480	
62 931	Rogers Communications Inc., Class B	4 014	4 403	
		6 090	5 883	1.1
Consumer Discretionary				
51 470	Aritzia Inc.	865	844	
193 762	BRP Inc.	6 783	6 848	
106 843	Canadian Tire Corp. Ltd., Class A	12 150	15 251	
13 326	Gildan Activewear Inc., Class A	569	552	
92 629	Linamar Corp.	6 439	4 196	
160 673	Magna International Inc., Class A	4 985	9 957	
18 595	Spin Master Corp.	1 060	714	
128 141	The Stars Group Inc	4 144	2 888	
		36 995	41 250	7.4
Consumer Staples				
31 711	Alimentation Couche-Tard Inc.	2 101	2 153	
53 297	Empire Co. Ltd., Class A	1 510	1 537	
150 597	George Weston Ltd.	15 900	13 561	
236 123	Loblaw Companies Ltd.	13 056	14 429	
101 749	Maple Leaf Foods Inc.	3 427	2 781	
206 132	Metro Inc., Class A	5 491	9 758	
299 325	Village Farms International Inc.	2 151	1 323	
		43 636	45 542	8.1
Energy				
79 766	Canadian Natural Resources Ltd.	2 682	2 627	
88 628	Enerflex Ltd.	1 535	1 416	
331 965	Enerplus Corp.	4 928	3 524	
567 742	Husky Energy Inc.	8 605	8 011	
101 626	Imperial Oil Ltd.	3 955	3 515	
96 888	North American Construction Group Ltd.	1 352	1 177	
301 541	Parex Resources Inc.	6 366	4 930	
215 638	Suncor Energy Inc.	10 520	8 222	
		39 943	33 422	6.0
Financials				
27 406	Bank of Nova Scotia	1 923	1 865	
186 285	Canadian Western Bank	7 085	4 851	
178 449	CI Financial Corp.	4 972	3 084	
20 612	Equitable Group Inc.	1 439	1 219	
5 538	Fairfax Financial Holdings Ltd.	3 299	3 328	
73 679	Genworth MI Canada Inc.	3 107	2 962	
487 335	Great-West Lifeco Inc.	14 624	13 733	
107 612	Industrial Alliance Insurance & Financial Services Inc.	5 067	4 689	
22 762	Intact Financial Corp.	1 988	2 258	
514 313	Manulife Financial Corporation	9 033	9 962	
285 017	National Bank of Canada	17 631	15 975	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
42 493	Royal Bank of Canada*	\$ 3 282	\$ 3 971	
495 828	Sun Life Financial Inc.	20 761	22 456	
40 666	Toronto-Dominion Bank	2 528	2 760	
		96 739	93 113	16.6
Health Care				
291 019	Bausch Health Co. Inc.	6 922	7 348	
75 233	Medical Facilities Corp.	1 186	1 132	
		8 108	8 480	1.5
Industrials				
674 504	Air Canada	16 392	17 510	
222 937	ATS Automation Tooling Systems	4 173	3 208	
35 843	Boyd Group Income Fund	4 576	4 048	
251 056	CAE Inc.	5 436	6 299	
12 383	Canadian Pacific Railway Ltd.	2 864	3 000	
97 097	Finning International Inc.	2 573	2 311	
56 923	Morneau Shepell Inc.	1 577	1 425	
37 448	Ritchie Bros. Auctioneers Inc.	1 874	1 672	
255 699	TFI International Inc.	11 371	9 026	
53 523	Thomson Reuters Corp.	3 267	3 529	
80 945	Toromont Industries Ltd.	5 081	4 392	
152 090	Transcontinental Inc., Class A	4 030	2 935	
101 572	Westshore Terminals Investment Corp.	2 698	2 090	
37 808	WSP Global Inc.	2 163	2 218	
		68 075	63 663	11.4
Information Technology				
188 060	CGI Group Inc., Class A	11 814	15 703	
11 482	Constellation Software Inc.	11 005	10 034	
47 384	Enghouse Systems Ltd.	3 646	3 147	
18 297	Tucows Inc.	1 501	1 500	
		27 966	30 384	5.4
Materials				
332 294	Barrick Gold Corp.	6 161	6 124	
49 415	Canfor Pulp Products Inc.	1 367	801	
345 033	Fortuna Silver Mines Inc.	2 454	1 725	
104 802	Interfor Corp.	2 474	1 511	
267 778	Kirkland Lake Gold Ltd.	7 197	9 533	
123 458	Labrador Iron Ore Royalty Corp.	2 273	2 993	
1 579 006	Largo Resources Ltd.	5 154	4 469	
985 665	Lundin Mining Corp.	8 702	5 559	
238 692	Methanex Corp.	16 339	15 673	
292 351	Norbord Inc.	14 360	10 612	
635 128	Teck Resources Ltd., Class B	17 220	18 666	
234 487	Teranga Gold Corp.	1 226	945	
119 334	West Fraser Timber Co. Ltd.	7 197	8 048	
		92 124	86 659	15.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
72 431	Allied Properties Real Estate Investment Trust	\$ 2 913	\$ 3 210	
11 100	Altus Group Ltd.	411	263	
249 035	Canadian Apartment Properties Real Estate Investment Trust	10 212	11 032	
64 744	Colliers International Group Inc.	4 474	4 875	
499 859	Dream Global Real Estate Investment Trust	5 235	5 948	
34 298	FirstService Corp.	3 795	3 213	
69 802	Granite Real Estate Investment Trust	3 554	3 714	
65 401	H&R Real Estate Investment Trust	1 382	1 351	
185 814	InterRent Real Estate Investment Trust	2 206	2 425	
37 144	RioCan Real Estate Investment Trust	942	884	
170 467	Summit Industrial Income Real Estate Investment Trust	1 171	1 630	
		36 295	38 545	6.9
Utilities				
251 078	Capital Power Corp.	7 068	6 676	
		7 068	6 676	1.2
TOTAL CANADIAN EQUITIES				
UNITED STATES EQUITIES				
Communication Services				
74 118	Viacom Inc.	3 085	2 600	
		3 085	2 600	0.5
Consumer Discretionary				
44 123	BJ's Restaurants Inc.	3 709	3 046	
23 995	Brinker International Inc.	1 467	1 441	
39 123	Deckers Outdoor Corp.	5 629	6 834	
87 392	Kohl's Corp.	8 124	7 915	
80 260	Macy's Inc.	3 561	3 263	
		22 490	22 499	4.0
Consumer Staples				
23 442	Boston Beer Co. Inc., Class A	6 076	7 708	
51 369	The Kroger Co.	2 027	1 929	
19 443	Walgreens Boots Alliance Inc.	1 967	1 815	
		10 070	11 452	2.0
Energy				
69 746	ConocoPhillips	6 110	5 937	
22 881	HollyFrontier Corp.	2 069	1 597	
118 440	Renewable Energy Group Inc.	4 300	4 156	
62 696	Valero Energy Corp.	6 380	6 418	
		18 859	18 108	3.2
Financials				
12 959	Ameriprise Financial Inc.	1 999	1 847	
23 869	JPMorgan Chase & Co.	2 904	3 185	
		4 903	5 032	0.9

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
3 705	Amedisys Inc.	\$ 615	\$ 593	
4 686	Anthem Inc.	1 313	1 680	
15 905	Humana Inc.	5 123	6 223	
49 909	Innoviva Inc.	1 135	1 189	
10 257	Merck & Co. Inc.	1 030	1 071	
31 503	National HealthCare Corp.	3 314	3 374	
		12 530	14 130	2.5
Industrials				
8 780	ASGN Inc.	941	653	
70 222	Continental Building Products Inc.	3 445	2 440	
2 614	CSW Industrials Inc.	154	173	
13 788	FTI Consulting Inc.	1 319	1 254	
42 755	Hillenbrand Inc.	2 509	2 212	
43 259	ICF International Inc.	3 813	3 830	
59 272	Kforce Inc.	2 902	2 502	
44 099	Robert Half International Inc.	4 049	3 445	
		19 132	16 509	2.9
Information Technology				
30 428	DXC Technology Co.	3 572	2 209	
21 403	Micron Technology Inc.	1 421	927	
50 486	Seagate Technology	3 769	2 662	
27 873	The Western Union Co.	670	649	
		9 432	6 447	1.2
Materials				
56 540	FutureFuel Corp.	1 305	1 224	
125 751	Steel Dynamics Inc.	7 384	5 157	
		8 689	6 381	1.1
Real Estate				
13 703	The RMR Group Inc., Class A	1 299	993	
		1 299	993	0.2
TOTAL UNITED STATES EQUITIES				
		110 489	104 151	18.5
TOTAL EQUITIES				
		573 528	557 768	99.6
SHORT-TERM INVESTMENTS†				
		6 927	6 925	1.2
TOTAL INVESTMENTS				
		580 455	564 693	100.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	600	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(5 757)	(1.0)
TOTAL PORTFOLIO				
		\$ 580 455	559 536	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			455	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$ 559 991	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 401 Sold CAD 1 820 @ 0.7699	07-Jan-2019	\$ 94
Bought USD 1 517 Sold CAD 2 000 @ 0.7587	18-Jan-2019	71
Bought USD 1 496 Sold CAD 2 000 @ 0.7478	18-Jan-2019	41
Bought USD 481 Sold CAD 645 @ 0.7456	18-Jan-2019	11
Bought USD 245 Sold CAD 327 @ 0.7480	24-Jan-2019	7
Bought USD 1 442 Sold CAD 1 930 @ 0.7473	30-Jan-2019	38
Bought USD 2 609 Sold CAD 3 500 @ 0.7455	30-Jan-2019	59
Bought USD 1 583 Sold CAD 2 140 @ 0.7398	30-Jan-2019	20
Bought USD 746 Sold CAD 1 000 @ 0.7464	31-Jan-2019	18
Bought USD 1 101 Sold CAD 1 460 @ 0.7541	13-Feb-2019	41
Bought USD 1 550 Sold CAD 2 100 @ 0.7379	13-Feb-2019	13
Bought USD 1 473 Sold CAD 1 957 @ 0.7527	27-Feb-2019	51
Bought USD 1 506 Sold CAD 2 000 @ 0.7531	27-Feb-2019	53
Bought USD 1 121 Sold CAD 1 500 @ 0.7470	07-Mar-2019	27
Bought USD 1 024 Sold CAD 1 370 @ 0.7477	07-Mar-2019	26
Bought USD 1 710 Sold CAD 2 300 @ 0.7435	07-Mar-2019	30
		\$ 600

Contracts	Maturity Date	Unrealized Loss
Bought CAD 17 831 Sold USD 13 940 @ 1.2791	07-Jan-2019	\$ (1 198)
Bought CAD 1 997 Sold USD 1 544 @ 1.2932	18-Jan-2019	(110)
Bought CAD 863 Sold USD 667 @ 1.2934	18-Jan-2019	(48)
Bought CAD 2 200 Sold USD 1 679 @ 1.3106	18-Jan-2019	(91)
Bought CAD 23 536 Sold USD 18 024 @ 1.3058	24-Jan-2019	(1 055)
Bought CAD 2 630 Sold USD 2 011 @ 1.3078	24-Jan-2019	(114)
Bought CAD 15 917 Sold USD 12 301 @ 1.2939	30-Jan-2019	(863)
Bought CAD 2 000 Sold USD 1 529 @ 1.3076	31-Jan-2019	(86)
Bought CAD 32 163 Sold USD 24 574 @ 1.3088	13-Feb-2019	(1 348)
Bought CAD 28 382 Sold USD 21 444 @ 1.3236	13-Mar-2019	(844)
		\$ (5 757)

TOTAL FOREIGN EXCHANGE

\$ (5 157)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 564 693	\$ 710 786
Cash	110	186
Due from investment dealers	137	308
Subscriptions receivable	102	219
Unrealized gain on foreign exchange contracts	600	2 003
Dividends receivable, interest accrued and other assets	1 239	1 175
TOTAL ASSETS	566 881	714 677
LIABILITIES		
Due to investment dealers	139	29
Redemptions payable	283	424
Unrealized loss on foreign exchange contracts	5 757	86
Accounts payable and accrued expenses	711	900
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	6 890	1 439
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 559 991	\$ 713 238
Investments at cost	\$ 580 455	\$ 623 234
NAV		
SERIES A	\$ 473 556	\$ 630 355
ADVISOR SERIES	\$ 1 570	\$ 2 052
SERIES D	\$ 39 619	\$ 46 947
SERIES F	\$ 45 246	\$ 33 884
NAV PER UNIT		
SERIES A	\$ 19.10	\$ 22.03
ADVISOR SERIES	\$ 19.73	\$ 22.76
SERIES D	\$ 19.29	\$ 22.24
SERIES F	\$ 19.11	\$ 22.04

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 13 988	\$ 17 394
Interest for distribution purposes	121	65
Income from investment trusts	740	834
Derivative income	(3 678)	5 387
Net realized gain (loss) on investments	26 815	42 283
Change in unrealized gain (loss) on investments	(110 388)	545
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(72 402)	66 508
Securities lending revenue (see note 7 in the generic notes)	815	631
Net gain (loss) on foreign cash balances	(18)	(360)
TOTAL OTHER INCOME (LOSS)	797	271
TOTAL INCOME (LOSS)	(71 605)	66 779
EXPENSES (see notes – Fund Specific Information)		
Management fees	8 069	8 689
Administration fees	960	1 034
Independent Review Committee costs	2	3
GST/HST	901	972
Transaction costs	547	870
Withholding tax	281	294
TOTAL EXPENSES	10 760	11 862
INCREASE (DECREASE) IN NAV	\$ (82 365)	\$ 54 917
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (69 997)	\$ 48 835
ADVISOR SERIES	\$ (229)	\$ 158
SERIES D	\$ (5 676)	\$ 3 709
SERIES F	\$ (6 463)	\$ 2 215
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.65)	\$ 1.60
ADVISOR SERIES	\$ (2.78)	\$ 1.71
SERIES D	\$ (2.73)	\$ 1.71
SERIES F	\$ (3.15)	\$ 1.98



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (82 365)	\$ 54 917
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(26 085)	(41 061)
Change in unrealized loss (gain) on investments	110 388	(545)
(Increase) decrease in accrued receivables	(64)	(19)
Increase (decrease) in accrued payables	(189)	(53)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 230 547)	(2 261 191)
Proceeds from sale and maturity of investments	2 299 692	2 333 058
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	70 830	85 106
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17 855	15 575
Cash paid on redemption of redeemable units	(88 595)	(100 328)
Distributions paid to holders of redeemable units	(166)	(194)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (70 906)	\$ (84 947)
Net increase (decrease) in cash for the period	(76)	159
Cash (bank overdraft), beginning of period	186	27
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 110	\$ 186
Interest received (paid)	\$ 122	\$ 64
Dividends received, net of withholding taxes	\$ 13 643	\$ 17 082

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 630 355	\$ 677 605	\$ 2 052	\$ 2 067	\$ 46 947	\$ 47 622
INCREASE (DECREASE) IN NAV	(69 997)	48 835	(229)	158	(5 676)	3 709
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	10 714	11 529	193	303	6 028	3 629
Reinvestments of distributions to holders of redeemable units	2 490	4 615	9	15	332	491
Redemption of redeemable units	(97 482)	(107 553)	(446)	(475)	(7 673)	(8 003)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(84 278)	(91 409)	(244)	(157)	(1 313)	(3 883)
Distributions from net income	(2 524)	(4 676)	(9)	(16)	(339)	(501)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 524)	(4 676)	(9)	(16)	(339)	(501)
NET INCREASE (DECREASE) IN NAV	(156 799)	(47 250)	(482)	(15)	(7 328)	(675)
NAV AT END OF PERIOD	\$ 473 556	\$ 630 355	\$ 1 570	\$ 2 052	\$ 39 619	\$ 46 947

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 33 884	\$ 15 531	\$ 713 238	\$ 742 825
INCREASE (DECREASE) IN NAV	(6 463)	2 215	(82 365)	54 917
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	23 435	19 529	40 370	34 990
Reinvestments of distributions to holders of redeemable units	391	341	3 222	5 462
Redemption of redeemable units	(5 485)	(3 269)	(111 086)	(119 300)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	18 341	16 601	(67 494)	(78 848)
Distributions from net income	(516)	(463)	(3 388)	(5 656)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(516)	(463)	(3 388)	(5 656)
NET INCREASE (DECREASE) IN NAV	11 362	18 353	(153 247)	(29 587)
NAV AT END OF PERIOD	\$ 45 246	\$ 33 884	\$ 559 991	\$ 713 238

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term returns consisting of capital growth and current income by investing primarily in equity securities of Canadian and U.S. companies.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Foreign Equities	18.5	0.2
Financials	16.6	26.4
Materials	15.5	16.6
Industrials	11.4	8.8
Consumer Staples	8.1	9.6
Consumer Discretionary	7.4	14.5
Real Estate	6.9	5.1
Energy	6.0	4.7
Information Technology	5.4	3.5
Health Care	1.5	4.6
Utilities	1.2	3.5
Communication Services	1.1	1.1
Cash/Other	0.4	1.4
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	557 768	–	–	557 768
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	6 925	–	6 925
Derivatives – assets	–	600	–	600
Derivatives – liabilities	–	(5 757)	–	(5 757)
Total financial instruments	557 768	1 768	–	559 536
% of total portfolio	99.7	0.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	703 780	–	–	703 780
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 006	–	7 006
Derivatives – assets	–	2 003	–	2 003
Derivatives – liabilities	–	(86)	–	(86)
Total financial instruments	703 780	8 923	–	712 703
% of total portfolio	98.7	1.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.15%
Advisor Series	1.25%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	96 749
Non-capital losses	–



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	28 610	32 967
Issued number of units	489	547
Reinvested number of units	131	209
Redeemed number of units	(4 443)	(5 113)
Ending number of units	24 787	28 610
Advisor Series		
Opening units	90	97
Issued number of units	10	14
Reinvested number of units	–	1
Redeemed number of units	(20)	(22)
Ending number of units	80	90
Series D		
Opening units	2 111	2 295
Issued number of units	273	171
Reinvested number of units	17	22
Redeemed number of units	(347)	(377)
Ending number of units	2 054	2 111
Series F		
Opening units	1 538	755
Issued number of units	1 058	923
Reinvested number of units	21	15
Redeemed number of units	(249)	(155)
Ending number of units	2 368	1 538

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	547	100	870	100
Related-party brokerage commissions*	3	1	7	1
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	70 868	44 066
Fair value of collateral received	72 285	44 947

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 274	100	908	100
RBC IS (paid)	(319)	(25)	(255)	(28)
Tax withheld	(140)	(11)	(22)	(2)
Fund revenue	815	64	631	70

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	600	(5 757)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	600	(5 757)
Related amounts not set-off	(437)	437
Collateral (received) pledged	–	–
Net amount	163	(5 320)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	2 003	(86)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	2 003	(86)
Related amounts not set-off	(23)	23
Collateral (received) pledged	–	–
Net amount	1 980	(63)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC O'SHAUGHNESSY ALL-CANADIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
16 871	Cineplex Inc.	\$ 607	\$ 429	
54 108	Cogeco Communications Inc.	4 489	3 559	
182 195	Quebecor Inc., Class B	4 374	5 236	
28 666	Rogers Communications Inc., Class B	2 041	2 005	
		11 511	11 229	2.5
Consumer Discretionary				
333 420	Aritzia Inc.	5 844	5 468	
235 030	BRP Inc.	6 381	8 306	
38 146	Canadian Tire Corp. Ltd., Class A	5 739	5 445	
52 194	Great Canadian Gaming Corp.	1 219	2 499	
121 984	Linamar Corp.	8 558	5 526	
84 230	Magna International Inc., Class A	5 173	5 220	
482 950	Martinrea International Inc.	5 479	5 245	
35 806	MTY Food Group Inc.	2 400	2 171	
22 412	Spin Master Corp.	1 195	860	
139 318	The Stars Group Inc	4 740	3 140	
125 529	Transat AT Inc.	1 347	747	
127 991	Uni-Select Inc.	2 930	2 484	
		51 005	47 111	10.6
Consumer Staples				
41 476	Alimentation Couche-Tard Inc.	2 810	2 817	
93 853	George Weston Ltd.	10 238	8 451	
190 202	Loblaw Companies Ltd.	10 401	11 623	
188 564	Metro Inc., Class A	7 663	8 927	
360 982	Neptune Wellness Solutions Inc.	1 450	1 249	
52 246	The North West Co. Inc.	1 524	1 642	
637 540	Village Farms International Inc.	4 917	2 818	
		39 003	37 527	8.4
Energy				
116 203	Bonterra Energy Corp.	2 140	751	
13 409	Canadian Natural Resources Ltd.	486	442	
371 905	Enerflex Ltd.	6 452	5 943	
93 121	Gibson Energy Inc.	2 043	1 740	
290 431	Gran Tierra Energy Inc.	1 219	865	
456 002	Husky Energy Inc.	6 879	6 434	
72 567	North American Construction Group Ltd.	981	882	
106 541	Parex Resources Inc.	2 493	1 742	
39 989	Pason Systems Inc.	845	731	
248 958	Peyto Exploration & Development Corp.	2 625	1 763	
84 133	Suncor Energy Inc.	4 481	3 208	
268 325	Tamarack Valley Energy Ltd.	1 378	633	
295 755	Transglobe Energy Corporation	1 231	751	
		33 253	25 885	5.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
465 346	Canaccord Genuity Group Inc.	\$ 2 982	\$ 2 685	
21 386	Canadian Imperial Bank of Commerce	2 106	2 175	
161 620	Canadian Western Bank	6 111	4 209	
14 499	Equitable Group Inc.	985	857	
5 484	Fairfax Financial Holdings Ltd.	3 550	3 296	
147 508	Genworth MI Canada Inc.	4 253	5 930	
89 449	Gluskin Sheff + Associates Inc.	931	933	
301 958	Great-West Lifeco Inc.	10 524	8 509	
139 754	Industrial Alliance Insurance & Financial Services Inc.	6 501	6 089	
6 207	Intact Financial Corp.	665	616	
484 865	Manulife Financial Corporation	11 822	9 392	
86 924	National Bank of Canada	5 058	4 872	
24 382	Royal Bank of Canada*	1 889	2 278	
452 775	Sprott Inc.	1 404	1 164	
304 481	Sun Life Financial Inc.	12 508	13 790	
5 956	TMX Group Ltd.	501	421	
73 901	Toronto-Dominion Bank	4 980	5 015	
		76 770	72 231	16.3
Health Care				
284 223	Bausch Health Co. Inc.	6 986	7 177	
331 230	Medical Facilities Corp.	4 931	4 982	
		11 917	12 159	2.7
Industrials				
562 762	Air Canada	12 217	14 609	
360 520	ATS Automation Tooling Systems	6 216	5 188	
29 544	Boyd Group Income Fund	3 514	3 337	
242 854	CAE Inc.	4 817	6 093	
20 833	Canadian National Railway Co.	2 348	2 106	
12 009	Canadian Pacific Railway Ltd.	3 304	2 909	
17 466	Cargojet Inc.	1 109	1 236	
162 357	Finning International Inc.	5 254	3 864	
459 074	Horizon North Logistics Inc.	1 261	826	
145 126	Morneau Shepell Inc.	3 845	3 634	
196 335	TFI International Inc.	7 649	6 931	
5 760	Thomson Reuters Corp.	370	380	
88 756	Toromont Industries Ltd.	5 024	4 816	
294 244	Transcontinental Inc., Class A	4 698	5 679	
470 892	WestJet Airlines Ltd.	11 898	8 476	
56 280	Westshore Terminals Investment Corp.	1 462	1 158	
91 198	WSP Global Inc.	5 645	5 351	
		80 631	76 593	17.2
Information Technology				
81 538	Celestica Inc.	1 372	975	
109 534	CGI Group Inc., Class A	8 728	9 146	
6 926	Constellation Software Inc.	6 561	6 052	
53 374	Enghouse Systems Ltd.	4 100	3 545	
		20 761	19 718	4.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
365 637	Canfor Corp.	\$ 7 693	\$ 6 044	
83 530	Canfor Pulp Products Inc.	1 823	1 354	
366 303	Cascades Inc.	4 150	3 747	
732 382	Centerra Gold Inc.	5 764	4 292	
58 662	First Quantum Minerals Ltd.	1 103	648	
282 139	Hudbay Minerals Inc.	1 928	1 823	
336 369	Interfor Corp.	6 648	4 850	
206 586	Kirkland Lake Gold Ltd.	5 480	7 354	
175 255	Labrador Iron Ore Royalty Corp.	3 785	4 248	
1 465 130	Largo Resources Ltd.	4 941	4 146	
285 279	Lucara Diamond Corp.	803	422	
467 417	Lundin Mining Corp.	3 604	2 636	
189 645	Methanex Corp.	13 463	12 452	
244 764	Norbord Inc.	9 554	8 885	
181 826	Resolute Forest Products Inc.	3 137	1 967	
500 112	Teck Resources Ltd., Class B	13 947	14 698	
553 055	Teranga Gold Corp.	2 899	2 229	
226 248	Wesdome Gold Mines Ltd.	752	1 002	
69 055	West Fraser Timber Co. Ltd.	3 547	4 657	
		95 021	87 454	19.7
Real Estate				
51 056	Allied Properties Real Estate Investment Trust	1 997	2 263	
69 308	Altus Group Ltd.	1 963	1 641	
194 824	Canadian Apartment Properties Real Estate Investment Trust	8 778	8 631	
348 397	Choice Properties Real Estate Investment Trust	4 205	4 014	
67 399	Colliers International Group Inc.	4 625	5 074	
380 994	Dream Global Real Estate Investment Trust	3 962	4 534	
38 350	FirstService Corp.	4 193	3 593	
378 394	InterRent Real Estate Investment Trust	4 118	4 938	
145 314	Northview Apartment Real Estate Investment Trust	3 439	3 557	
14 924	SmartCentres Real Estate Investment Trust	467	460	
		37 747	38 705	8.7
Utilities				
189 610	Capital Power Corp.	5 252	5 042	
490 694	Just Energy Group Inc.	3 364	2 213	
57 412	Superior Plus Corp.	714	556	
		9 330	7 811	1.8
TOTAL CANADIAN EQUITIES		466 949	436 423	98.1
SHORT-TERM INVESTMENTS†		7 480	7 480	1.7
TOTAL INVESTMENTS		<u>\$ 474 429</u>	443 903	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			792	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 444 695</u>		100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 443 903	\$ 536 116
Cash	87	33
Due from investment dealers	97	2 934
Subscriptions receivable	320	130
Dividends receivable, interest accrued and other assets	940	1 092
TOTAL ASSETS	445 347	540 305
LIABILITIES		
Due to investment dealers	230	2 418
Redemptions payable	143	397
Distributions payable	8	—
Accounts payable and accrued expenses	271	341
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	652	3 156
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 444 695	\$ 537 149
Investments at cost	\$ 474 429	\$ 474 495
NAV		
SERIES A	\$ 141 574	\$ 186 843
ADVISOR SERIES	\$ 4 480	\$ 5 291
SERIES D	\$ 17 486	\$ 22 670
SERIES F	\$ 21 632	\$ 18 912
SERIES O	\$ 259 523	\$ 303 433
NAV PER UNIT		
SERIES A	\$ 11.77	\$ 14.38
ADVISOR SERIES	\$ 11.82	\$ 14.45
SERIES D	\$ 12.00	\$ 14.68
SERIES F	\$ 12.00	\$ 14.67
SERIES O	\$ 12.57	\$ 15.39

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 12 194	\$ 13 373
Interest for distribution purposes	68	31
Income from investment trusts	808	904
Net realized gain (loss) on investments	14 859	5 866
Change in unrealized gain (loss) on investments	(92 147)	21 798
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(64 218)	41 972
Securities lending revenue (see note 7 in the generic notes)	344	783
Net gain (loss) on foreign cash balances	—	(5)
TOTAL OTHER INCOME (LOSS)	344	778
TOTAL INCOME (LOSS)	(63 874)	42 750
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 046	3 332
Administration fees	365	390
Independent Review Committee costs	2	3
GST/HST	345	374
Transaction costs	485	682
Withholding tax	62	19
TOTAL EXPENSES	4 305	4 800
INCREASE (DECREASE) IN NAV	\$ (68 179)	\$ 37 950
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (23 290)	\$ 11 720
ADVISOR SERIES	\$ (705)	\$ 326
SERIES D	\$ (2 774)	\$ 1 533
SERIES F	\$ (3 494)	\$ 1 110
SERIES O	\$ (37 916)	\$ 23 261
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.92)	\$ 0.84
ADVISOR SERIES	\$ (2.01)	\$ 0.83
SERIES D	\$ (1.91)	\$ 0.94
SERIES F	\$ (2.19)	\$ 1.06
SERIES O	\$ (1.92)	\$ 1.18



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (68 179)	\$ 37 950
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(14 341)	(5 094)
Change in unrealized loss (gain) on investments	92 147	(21 798)
(Increase) decrease in accrued receivables	152	367
Increase (decrease) in accrued payables	(70)	(25)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 570 340)	(1 571 304)
Proceeds from sale and maturity of investments	1 585 396	1 586 726
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	24 765	26 822
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	80 237	83 903
Cash paid on redemption of redeemable units	(102 651)	(109 523)
Distributions paid to holders of redeemable units	(2 297)	(1 291)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (24 711)	\$ (26 911)
Net increase (decrease) in cash for the period	54	(89)
Cash (bank overdraft), beginning of period	33	122
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 87	\$ 33
Interest received (paid)	\$ 68	\$ 31
Dividends received, net of withholding taxes	\$ 12 285	\$ 13 720

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 186 843	\$ 205 173	\$ 5 291	\$ 6 262	\$ 22 670	\$ 24 320	\$ 18 912	\$ 12 273
INCREASE (DECREASE) IN NAV	(23 290)	11 720	(705)	326	(2 774)	1 533	(3 494)	1 110
Early redemption fees	1	—	—	—	—	—	—	—
Proceeds from redeemable units issued	10 327	9 985	807	609	2 331	3 332	15 427	11 313
Reinvestments of distributions to holders of redeemable units	6 696	1 593	209	44	936	333	945	238
Redemption of redeemable units	(32 216)	(40 013)	(908)	(1 904)	(4 726)	(6 509)	(8 904)	(5 689)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(15 192)	(28 435)	108	(1 251)	(1 459)	(2 844)	7 468	5 862
Distributions from net income	(1 098)	(1 615)	(37)	(46)	(241)	(339)	(366)	(333)
Distributions from net gains	(5 689)	—	(177)	—	(710)	—	(888)	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6 787)	(1 615)	(214)	(46)	(951)	(339)	(1 254)	(333)
NET INCREASE (DECREASE) IN NAV	(45 269)	(18 330)	(811)	(971)	(5 184)	(1 650)	2 720	6 639
NAV AT END OF PERIOD	\$ 141 574	\$ 186 843	\$ 4 480	\$ 5 291	\$ 17 486	\$ 22 670	\$ 21 632	\$ 18 912

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 303 433	\$ 277 960	\$ 537 149	\$ 525 988
INCREASE (DECREASE) IN NAV	(37 916)	23 261	(68 179)	37 950
Early redemption fees	—	—	1	—
Proceeds from redeemable units issued	64 706	68 762	93 598	94 001
Reinvestments of distributions to holders of redeemable units	15 153	6 811	23 939	9 019
Redemption of redeemable units	(68 815)	(65 384)	(115 569)	(119 499)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	11 044	10 189	1 969	(16 479)
Distributions from net income	(6 662)	(7 977)	(8 404)	(10 310)
Distributions from net gains	(10 376)	—	(17 840)	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(17 038)	(7 977)	(26 244)	(10 310)
NET INCREASE (DECREASE) IN NAV	(43 910)	25 473	(92 454)	11 161
NAV AT END OF PERIOD	\$ 259 523	\$ 303 433	\$ 444 695	\$ 537 149

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term returns consisting of capital growth and current income by investing primarily in equity securities of Canadian companies.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Materials	19.7	18.3
Industrials	17.2	15.5
Financials	16.3	25.2
Consumer Discretionary	10.6	17.3
Real Estate	8.7	8.2
Consumer Staples	8.4	2.4
Energy	5.8	3.8
Information Technology	4.4	1.4
Health Care	2.7	2.2
Communication Services	2.5	1.0
Utilities	1.8	3.7
Cash/Other	1.9	1.0
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	436 423	—	—	436 423
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	7 480	—	7 480
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	436 423	7 480	—	443 903
% of total portfolio	98.3	1.7	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	531 581	—	—	531 581
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	4 535	—	4 535
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	531 581	4 535	—	536 116
% of total portfolio	99.2	0.8	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.50%	0.15%
Advisor Series	1.50%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	12 994	15 042
Issued number of units	721	718
Reinvested number of units	574	110
Redeemed number of units	(2 256)	(2 876)
Ending number of units	12 033	12 994
Advisor Series		
Opening units	366	457
Issued number of units	58	43
Reinvested number of units	18	3
Redeemed number of units	(63)	(137)
Ending number of units	379	366
Series D		
Opening units	1 545	1 746
Issued number of units	158	234
Reinvested number of units	79	23
Redeemed number of units	(325)	(458)
Ending number of units	1 457	1 545
Series F		
Opening units	1 289	882
Issued number of units	1 061	791
Reinvested number of units	79	16
Redeemed number of units	(626)	(400)
Ending number of units	1 803	1 289
Series O		
Opening units	19 722	19 044
Issued number of units	4 355	4 608
Reinvested number of units	1 216	441
Redeemed number of units	(4 647)	(4 371)
Ending number of units	20 646	19 722

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	485	100	682	100
Related-party brokerage commissions*	3	1	6	1
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	50 019	40 369
Fair value of collateral received	51 019	41 177

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	499	100	1 121	100
RBC IS (paid)	(125)	(25)	(297)	(26)
Tax withheld	(30)	(6)	(41)	(4)
Fund revenue	344	69	783	70



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN EQUITY INCOME FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Communication Services				
988 138	BCE Inc.	\$ 55 383	\$ 53 290	
590 888	Cineplex Inc.	17 017	15 032	
187 992	Rogers Communications Inc., Class B	11 390	13 152	
566 168	Shaw Communications Inc., Class B	14 984	13 990	
827 966	TELUS Corp.	36 291	37 465	
		135 065	132 929	4.6
Consumer Discretionary				
188 538	Canadian Tire Corp. Ltd., Class A	31 401	26 912	
250 000	Magna International Inc., Class A	17 420	15 493	
		48 821	42 405	1.5
Consumer Staples				
356 000	Empire Co. Ltd., Class A	8 193	10 263	
430 078	George Weston Ltd.	40 962	38 729	
317 330	Maple Leaf Foods Inc.	5 104	8 673	
200 000	Mondelez International Inc.	11 123	10 930	
		65 382	68 595	2.3
Energy				
654 367	ARC Resources Ltd.	9 688	5 300	
1 431 377	Canadian Natural Resources Ltd.	49 409	47 150	
3 800 980	Enbridge Inc.	187 030	161 200	
1 070 849	Enerflex Ltd.	15 519	17 112	
304 651	Equinor ASA	7 153	8 822	
760 512	Gibson Energy Inc.	16 082	14 206	
1 234 143	Keyera Corp.	44 963	31 853	
601 922	Kinder Morgan Canada Ltd.	9 940	9 589	
155 000	Marathon Petroleum Corp.	16 504	12 487	
99 571	Parkland Fuel Corp.	2 643	3 519	
1 128 350	Pembina Pipeline Corp.	47 223	45 709	
628 818	PrairieSky Royalty Ltd.	19 612	11 111	
401 000	Royal Dutch Shell Plc., B Shares	17 681	16 367	
2 326 301	Suncor Energy Inc.	85 878	88 702	
2 032 012	TransCanada Corp.	109 468	99 061	
		638 793	572 188	19.6
Financials				
2 112 959	AGF Management Ltd., Class B	14 365	10 184	
631 583	Bank of Montreal	51 808	56 331	
2 243 899	Bank of Nova Scotia	151 003	152 697	
1 509 959	Brookfield Asset Management Inc., Class A	60 016	79 001	
627 221	Canadian Imperial Bank of Commerce	65 669	63 776	
1 539 123	Element Fleet Management Corp.	10 243	10 635	
461 009	Great-West Lifeco Inc.	14 854	12 991	
4 633 437	Manulife Financial Corporation	92 895	89 750	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
130 000	National Bank of Canada	\$ 7 652	\$ 7 287	
2 425 750	Royal Bank of Canada*	191 563	226 662	
1 155 432	Sun Life Financial Inc.	49 258	52 330	
2 306 460	Toronto-Dominion Bank	132 657	156 516	
		841 983	918 160	31.5
Health Care				
1 562 121	Chartwell Retirement Residences Real Estate Investment Trust	20 506	21 354	
		20 506	21 354	0.7
Industrials				
400 318	Canadian National Railway Co.	40 896	40 476	
187 230	Canadian Pacific Railway Ltd.	36 309	45 355	
956 685	Finning International Inc.	27 236	22 769	
150 000	Fluor Corp.	10 636	6 594	
285 000	Johnson Controls International Plc.	16 122	11 536	
253 949	NFI Group Inc.	12 336	8 644	
881 000	Russel Metals Inc.	24 297	18 792	
581 029	SNC-Lavalin Group Inc.	32 254	26 681	
571 964	Thomson Reuters Corp.	30 502	37 710	
105 000	United Technologies Corp.	17 066	15 261	
		247 654	233 818	8.0
Materials				
344 799	Agnico Eagle Mines Ltd.	21 422	18 998	
123 198	CF Industries Holdings Inc.	6 079	7 318	
949 805	Chemtrade Logistics Income Fund	17 986	9 954	
274 573	DowDuPont Inc.	23 385	20 047	
960 180	Labrador Iron Ore Royalty Corp.	22 577	23 275	
97 126	Methanex Corp.	6 391	6 377	
648 800	Newmont Mining Corporation	28 043	30 691	
39 186	Norbord Inc.	1 556	1 422	
1 091 164	Nutrien Ltd.	74 120	69 965	
21 200	Sherwin-Williams Co.	10 403	11 386	
905 996	Teck Resources Ltd., Class B	25 589	26 627	
218 221	West Fraser Timber Co. Ltd.	13 961	14 717	
		251 512	240 777	8.3
Real Estate				
442 736	Allied Properties Real Estate Investment Trust	15 840	19 622	
1 886 840	Brookfield Property Partners LP	32 657	41 548	
700 000	BSR Real Estate Investment Trust	8 731	7 645	
2 407 895	Choice Properties Real Estate Investment Trust	26 972	27 739	
1 512 867	Cominar Real Estate Investment Trust	17 575	16 944	
1 543 854	CT Real Estate Investment Trust	20 868	17 801	
1 553 400	Dream Industrial Real Estate Investment Trust	15 529	14 788	
1 810 908	Dream Unlimited Corp.	12 002	12 387	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
1 187 580	First Capital Realty Inc.	\$ 23 217	\$ 22 386	
695 308	H&R Real Estate Investment Trust	15 639	14 358	
484 099	Killam Apartment Real Estate Investment Trust	5 788	7 717	
1 282 641	RioCan Real Estate Investment Trust	31 084	30 527	
291 269	SmartCentres Real Estate Investment Trust	8 966	8 980	
1 937 318	Tricon Capital Group Inc.	18 831	18 773	
2 345 034	WPT Industrial Real Estate Investment Trust	36 182	41 139	
		<u>289 881</u>	<u>302 354</u>	10.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
1 575 312	Algonquin Power & Utilities Corp.	\$ 18 085	\$ 21 629	
546 824	AltaGas Canada Inc.	7 929	8 869	
478 010	AltaGas Ltd.	7 848	6 644	
342 580	Atco Ltd., Class I, Non-Voting	15 776	13 227	
1 958 597	Boralex Inc., Class A	35 335	32 983	
634 220	Brookfield Infrastructure Partners LP	28 166	29 903	
421 030	Brookfield Renewable Partners LP	14 566	14 883	
92 787	Canadian Utilities Ltd., Class A	3 334	2 906	
196 203	Emera Inc.	8 324	8 576	
728 421	Fortis Inc.	28 724	33 150	
1 181 497	Innervex Renewable Energy Inc.	15 393	14 816	
1 288 910	Northland Power Inc.	28 590	27 969	
1 560 705	Superior Plus Corp.	18 047	15 108	
1 205 000	TerraForm Power Inc., Class A	17 421	18 458	
2 522 216	TransAlta Corp.	19 239	14 099	
1 940 863	TransAlta Renewables Inc.	24 832	20 127	
		<u>291 609</u>	<u>283 347</u>	9.7
TOTAL EQUITIES		<u>2 831 206</u>	<u>2 815 927</u>	96.6

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
12 250	Canaccord Genuity Group Inc., Convertible	6.250	31-Dec-2023	\$ 12 250	\$ 12 091	
11 250	DHX Media Ltd., Convertible	5.875	30-Sep-2024	11 250	9 450	
TOTAL BONDS				<u>23 500</u>	<u>21 541</u>	0.7
SHORT-TERM INVESTMENTS[†]				<u>79 833</u>	<u>79 833</u>	2.7
TOTAL INVESTMENTS				<u>2 934 539</u>	<u>2 917 301</u>	100.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	2 977	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(10 835)	(0.4)
TOTAL PORTFOLIO				<u>\$ 2 934 539</u>	<u>2 909 443</u>	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					8 703	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					<u>\$ 2 918 146</u>	100.0



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 1 700 Sold CAD 2 208 @ 0.7700	14-Jan-2019	\$ 112
Bought USD 1 200 Sold CAD 1 608 @ 0.7462	14-Jan-2019	29
Bought USD 594 Sold CAD 810 @ 0.7333	14-Jan-2019	1
Bought USD 2 000 Sold CAD 2 617 @ 0.7642	16-Jan-2019	112
Bought USD 550 Sold CAD 716 @ 0.7683	22-Jan-2019	35
Bought USD 6 350 Sold CAD 8 299 @ 0.7652	23-Jan-2019	365
Bought USD 7 000 Sold CAD 9 250 @ 0.7568	24-Jan-2019	301
Bought USD 6 695 Sold CAD 8 886 @ 0.7535	24-Jan-2019	249
Bought CAD 7 118 Sold NOK 44 600 @ 0.1596	29-Jan-2019	72
Bought USD 17 853 Sold CAD 23 308 @ 0.7660	04-Feb-2019	1 042
Bought USD 2 100 Sold CAD 2 847 @ 0.7376	11-Feb-2019	17
Bought USD 6 622 Sold CAD 8 667 @ 0.7640	12-Feb-2019	363
Bought USD 1 900 Sold CAD 2 507 @ 0.7578	13-Feb-2019	84
Bought USD 1 800 Sold CAD 2 407 @ 0.7478	25-Feb-2019	47
Bought USD 1 600 Sold CAD 2 173 @ 0.7364	04-Mar-2019	8
Bought GBP 1 250 Sold CAD 2 141 @ 0.5839	06-Mar-2019	38
Bought USD 1 250 Sold CAD 1 672 @ 0.7478	19-Mar-2019	32
Bought USD 2 400 Sold CAD 3 227 @ 0.7438	19-Mar-2019	44
Bought USD 2 075 Sold CAD 2 802 @ 0.7405	19-Mar-2019	26
		\$ 2 977

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 18 226 Sold USD 14 122 @ 1.2906	04-Jan-2019	\$ (1 053)
Bought CAD 1 151 Sold USD 900 @ 1.2786	11-Jan-2019	(78)
Bought CAD 8 971 Sold USD 6 800 @ 1.3192	11-Jan-2019	(310)
Bought CAD 29 031 Sold USD 22 731 @ 1.2771	14-Jan-2019	(1 991)
Bought CAD 1 665 Sold USD 1 300 @ 1.2808	18-Jan-2019	(109)
Bought CAD 8 957 Sold USD 6 948 @ 1.2891	23-Jan-2019	(523)
Bought CAD 2 975 Sold USD 2 275 @ 1.3078	23-Jan-2019	(129)
Bought NOK 27 156 Sold CAD 4 307 @ 6.3050	23-Jan-2019	(17)
Bought CAD 27 355 Sold USD 20 955 @ 1.3054	24-Jan-2019	(1 235)
Bought CAD 11 130 Sold USD 8 506 @ 1.3086	24-Jan-2019	(474)
Bought CAD 2 089 Sold USD 1 600 @ 1.3053	24-Jan-2019	(94)
Bought CAD 7 594 Sold USD 5 850 @ 1.2981	25-Jan-2019	(387)
Bought CAD 18 410 Sold GBP 10 930 @ 1.6844	25-Jan-2019	(620)
Bought CAD 5 624 Sold USD 4 290 @ 1.3110	28-Jan-2019	(228)
Bought CAD 366 Sold USD 282 @ 1.2983	29-Jan-2019	(19)
Bought CAD 1 308 Sold USD 1 000 @ 1.3077	29-Jan-2019	(56)
Bought CAD 1 438 Sold USD 1 100 @ 1.3076	31-Jan-2019	(62)
Bought CAD 1 556 Sold USD 1 192 @ 1.3050	01-Feb-2019	(70)
Bought CAD 2 621 Sold USD 2 000 @ 1.3103	04-Feb-2019	(107)
Bought CAD 1 921 Sold USD 1 410 @ 1.3626	04-Feb-2019	(2)
Bought CAD 12 428 Sold USD 9 300 @ 1.3363	06-Feb-2019	(257)
Bought CAD 4 214 Sold NOK 27 000 @ 0.1561	06-Feb-2019	(53)
Bought CAD 1 121 Sold USD 857 @ 1.3086	14-Feb-2019	(47)
Bought CAD 2 503 Sold NOK 16 000 @ 0.1564	22-Feb-2019	(26)
Bought CAD 55 093 Sold USD 41 501 @ 1.3275	04-Mar-2019	(1 480)
Bought CAD 27 039 Sold USD 20 256 @ 1.3349	05-Mar-2019	(573)
Bought CAD 10 645 Sold USD 8 062 @ 1.3204	12-Mar-2019	(343)
Bought CAD 5 488 Sold USD 4 111 @ 1.3348	14-Mar-2019	(115)
Bought CAD 463 Sold USD 345 @ 1.3406	21-Mar-2019	(8)
Bought CAD 18 586 Sold USD 13 910 @ 1.3362	22-Mar-2019	(369)
		\$ (10 835)
		\$ (7 858)
TOTAL FOREIGN EXCHANGE		

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.51% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 917 301	\$ 3 517 202
Cash	1 370	2 909
Due from investment dealers	—	3 835
Subscriptions receivable	2 638	1 831
Unrealized gain on foreign exchange contracts	2 977	3 903
Dividends receivable, interest accrued and other assets	11 406	10 620
TOTAL ASSETS	2 935 692	3 540 300
LIABILITIES		
Redemptions payable	1 973	4 098
Unrealized loss on foreign exchange contracts	10 835	1 203
Distributions payable	1 443	1 425
Accounts payable and accrued expenses	3 295	4 071
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	17 546	10 797
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 918 146	\$ 3 529 503
Investments at cost	\$ 2 934 539	\$ 3 080 747
NAV		
SERIES A	\$ 1 156 071	\$ 1 491 912
ADVISOR SERIES	\$ 496 211	\$ 663 164
SERIES D	\$ 223 747	\$ 265 600
SERIES F	\$ 544 693	\$ 548 114
SERIES O	\$ 497 424	\$ 560 713
NAV PER UNIT		
SERIES A	\$ 23.47	\$ 27.20
ADVISOR SERIES	\$ 23.70	\$ 27.45
SERIES D	\$ 26.52	\$ 30.47
SERIES F	\$ 27.86	\$ 31.91
SERIES O	\$ 27.83	\$ 31.64

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 116 018	\$ 107 667
Interest for distribution purposes	2 431	1 803
Income from investment trusts	10 958	8 513
Derivative income	(10 085)	12 600
Net realized gain (loss) on investments	111 814	149 811
Change in unrealized gain (loss) on investments	(464 251)	59 769
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(233 115)	340 163
Other income (loss)	1	—
Securities lending revenue (see note 7 in the generic notes)	546	577
Net gain (loss) on foreign cash balances	(320)	881
TOTAL OTHER INCOME (LOSS)	227	1 458
TOTAL INCOME (LOSS)	(232 888)	341 621
EXPENSES (see notes – Fund Specific Information)		
Management fees	36 347	40 113
Administration fees	3 523	3 786
Independent Review Committee costs	2	3
GST/HST	3 771	4 143
Transaction costs	3 018	3 171
Withholding tax	934	940
TOTAL EXPENSES	47 595	52 156
INCREASE (DECREASE) IN NAV	\$ (280 483)	\$ 289 465
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (121 152)	\$ 117 655
ADVISOR SERIES	\$ (52 437)	\$ 53 582
SERIES D	\$ (20 820)	\$ 22 544
SERIES F	\$ (46 854)	\$ 42 798
SERIES O	\$ (39 220)	\$ 52 886
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.36)	\$ 2.06
ADVISOR SERIES	\$ (2.36)	\$ 2.08
SERIES D	\$ (2.48)	\$ 2.57
SERIES F	\$ (2.51)	\$ 2.83
SERIES O	\$ (2.23)	\$ 2.97

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (280 483)	\$ 289 465
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(108 503)	(146 464)
Change in unrealized loss (gain) on investments	464 251	(59 769)
(Increase) decrease in accrued receivables	(786)	(663)
Increase (decrease) in accrued payables	(776)	(42)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 986 539)	(3 408 592)
Proceeds from sale and maturity of investments	3 245 085	3 516 413
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	332 249	190 348
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	316 119	424 815
Cash paid on redemption of redeemable units	(626 806)	(597 111)
Distributions paid to holders of redeemable units	(23 101)	(18 577)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (333 788)	\$ (190 873)
Net increase (decrease) in cash for the period	(1 539)	(525)
Cash (bank overdraft), beginning of period	2 909	3 434
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 370	\$ 2 909
Interest received (paid)	\$ 2 353	\$ 1 638
Dividends received, net of withholding taxes	\$ 114 377	\$ 106 229

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 491 912	\$ 1 537 729	\$ 663 164	\$ 724 915	\$ 265 600	\$ 257 876	\$ 548 114	\$ 376 706
INCREASE (DECREASE) IN NAV	(121 152)	117 655	(52 437)	53 582	(20 820)	22 544	(46 854)	42 798
Early redemption fees	1	1	—	—	4	3	1	—
Proceeds from redeemable units issued	123 397	190 213	45 361	68 855	40 628	46 953	193 401	245 611
Reinvestments of distributions to holders of redeemable units	62 437	56 927	23 846	22 468	11 462	8 790	18 881	10 459
Redemption of redeemable units	(333 394)	(349 265)	(154 419)	(179 012)	(60 688)	(61 001)	(139 470)	(110 486)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(147 559)	(102 124)	(85 212)	(87 689)	(8 594)	(5 255)	72 813	145 584
Distributions from net income	2 376	(31 766)	(13 960)	(14 314)	(5 858)	(4 953)	(13 787)	(8 789)
Distributions from net gains	(69 506)	(21 122)	(15 344)	(9 518)	(6 581)	(3 293)	(15 593)	(5 844)
Distributions from capital	—	(8 460)	—	(3 812)	—	(1 319)	—	(2 341)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(67 130)	(61 348)	(29 304)	(27 644)	(12 439)	(9 565)	(29 380)	(16 974)
NET INCREASE (DECREASE) IN NAV	(335 841)	(45 817)	(166 953)	(61 751)	(41 853)	7 724	(3 421)	171 408
NAV AT END OF PERIOD	\$ 1 156 071	\$ 1 491 912	\$ 496 211	\$ 663 164	\$ 223 747	\$ 265 600	\$ 544 693	\$ 548 114

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 560 713	\$ 534 809	\$ 3 529 503	\$ 3 432 035
INCREASE (DECREASE) IN NAV	(39 220)	52 886	(280 483)	289 465
Early redemption fees	—	—	6	4
Proceeds from redeemable units issued	37 264	33 033	440 051	584 665
Reinvestments of distributions to holders of redeemable units	25 801	17 642	142 427	116 286
Redemption of redeemable units	(59 841)	(58 450)	(747 812)	(758 214)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 224	(7 775)	(165 328)	(57 259)
Distributions from net income	(12 815)	(9 945)	(44 044)	(69 767)
Distributions from net gains	(14 478)	(6 613)	(121 502)	(46 390)
Distributions from capital	—	(2 649)	—	(18 581)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(27 293)	(19 207)	(165 546)	(134 738)
NET INCREASE (DECREASE) IN NAV	(63 289)	25 904	(611 357)	97 468
NAV AT END OF PERIOD	\$ 497 424	\$ 560 713	\$ 2 918 146	\$ 3 529 503

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	31.5	31.2
Energy	19.6	22.8
Real Estate	10.4	11.0
Utilities	9.7	8.4
Materials	8.3	7.2
Industrials	8.0	7.3
Communication Services	4.6	3.2
Consumer Staples	2.3	2.3
Consumer Discretionary	1.5	0.9
Health Care	0.7	2.4
Information Technology	–	1.0
Cash/Other	3.4	2.3
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 790 738	25 189	–	2 815 927
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	21 541	–	21 541
Short-term investments	–	79 833	–	79 833
Derivatives – assets	–	2 977	–	2 977
Derivatives – liabilities	–	(10 835)	–	(10 835)
Total financial instruments	2 790 738	118 705	–	2 909 443
% of total portfolio	95.9	4.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	3 394 077	55 360	–	3 449 437
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	20 856	–	20 856
Short-term investments	–	46 909	–	46 909
Derivatives – assets	–	3 903	–	3 903
Derivatives – liabilities	–	(1 203)	–	(1 203)
Total financial instruments	3 394 077	125 825	–	3 519 902
% of total portfolio	96.4	3.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	31	30
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017

Series A

Opening units	54 847	58 694
Issued number of units	4 721	7 186
Reinvested number of units	2 454	2 155
Redeemed number of units	(12 761)	(13 188)
Ending number of units	49 261	54 847

Advisor Series

Opening units	24 157	27 443
Issued number of units	1 717	2 579
Reinvested number of units	928	843
Redeemed number of units	(5 864)	(6 708)
Ending number of units	20 938	24 157

Series D

Opening units	8 718	8 899
Issued number of units	1 382	1 592
Reinvested number of units	400	299
Redeemed number of units	(2 064)	(2 072)
Ending number of units	8 436	8 718

Series F

Opening units	17 179	12 459
Issued number of units	6 274	7 974
Reinvested number of units	629	340
Redeemed number of units	(4 531)	(3 594)
Ending number of units	19 551	17 179

Series O

Opening units	17 725	17 982
Issued number of units	1 238	1 090
Reinvested number of units	864	580
Redeemed number of units	(1 953)	(1 927)
Ending number of units	17 874	17 725

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	3 018	100	3 171	100
Related-party brokerage commissions*	533	18	429	14
Commission arrangements†	488	16	169	5

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	219 700	392 988
Fair value of collateral received	224 094	400 847

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	741	100	799	100
RBC IS (paid)	(184)	(25)	(217)	(27)
Tax withheld	(11)	(1)	(5)	(1)
Fund revenue	546	74	577	72

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	1.8	1.4
RBC Canadian Equity Income Class	5.6	5.5
RBC Conservative Growth & Income Fund	0.6	0.4
RBC Managed Payout Solution – Enhanced	4.5	4.1
RBC Managed Payout Solution – Enhanced Plus	3.4	4.2
Total	15.9	15.6



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	2 977	(10 835)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	2 977	(10 835)
Related amounts not set-off	(1 869)	1 869
Collateral (received) pledged	–	165
Net amount	1 108	(8 801)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	3 903	(1 203)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	3 903	(1 203)
Related amounts not set-off	(657)	657
Collateral (received) pledged	(315)	20
Net amount	2 931	(526)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC CANADIAN SMALL & MID-CAP RESOURCES FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Chemicals				
323 349	Chemtrade Logistics Income Fund	\$ 5 049	\$ 3 389	
201 856	Methanex Corp.	13 882	13 254	
		18 931	16 643	7.7
Containers and Packaging				
131 700	Intertape Polymer Group Inc.	2 802	2 228	
46 000	Wipak Ltd.	2 140	2 197	
		4 942	4 425	2.1
Energy Equipment and Services				
373 000	CES Energy Solutions Corp.	1 309	1 176	
435 800	Enerflex Ltd.	7 871	6 964	
212 000	Pason Systems Inc.	4 582	3 877	
1 370 000	Precision Drilling Corp.	6 106	3 247	
535 000	Secure Energy Services Inc.	4 529	3 750	
		24 397	19 014	8.8
Machinery				
24 642	AG Growth International Inc.	1 515	1 153	
		1 515	1 153	0.5
Metals and Mining				
1 029 400	Hudbay Minerals Inc.	7 332	6 650	
1 757 215	Ivanhoe Mines Ltd., Class A	4 590	4 165	
311 630	Labrador Iron Ore Royalty Corp.	6 978	7 554	
2 022 586	Lundin Mining Corp.	11 878	11 407	
1 283 000	Neo Lithium Corp.	2 203	795	
2 825 115	Turquoise Hill Resources Ltd.	11 900	6 357	
		44 881	36 928	17.2
Oil, Gas and Consumable Fuels				
935 077	Birchcliff Energy Ltd.	4 441	2 843	
996 496	Enerplus Corp.	9 295	10 583	
2 047 441	Gran Tierra Energy Inc.	7 427	6 101	
816 500	Kelt Exploration Ltd.	4 619	3 789	
997 826	MEG Energy Corp.	7 501	7 693	
921 700	NexGen Energy Ltd.	2 581	2 221	
1 468 746	Nuvista Energy Ltd.	9 836	5 992	
1 007 571	Parex Resources Inc.	14 492	16 474	
170 136	Peyto Exploration & Development Corp.	5 364	1 205	
362 359	PrairieSky Royalty Ltd.	10 595	6 403	
815 149	Seven Generations Energy Ltd.	16 211	9 081	
800 327	Tourmaline Oil Corp.	23 413	13 590	
321 596	Vermilion Energy Inc.	18 202	9 249	
826 551	Whitecap Resources Inc.	8 707	3 595	
1 012 756	Yangarra Resources Ltd.	3 583	2 653	
		146 267	101 472	47.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Paper and Forest Products				
87 500	Canfor Corp.	\$ 2 168	\$ 1 446	
270 943	Conifex Timber Inc.	1 607	463	
329 486	Interfor Corp.	4 171	4 751	
146 180	Norbord Inc.	6 209	5 306	
47 775	Stella-Jones Inc.	2 206	1 892	
200 590	West Fraser Timber Co. Ltd.	12 180	13 528	
		28 541	27 386	12.8
TOTAL EQUITIES				
		269 474	207 021	96.4
SHORT-TERM INVESTMENTS*				
		7 014	7 014	3.3
TOTAL INVESTMENTS				
		\$ 276 488	214 035	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			694	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 214 729		100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.28% and mature between January 14, 2019 and January 31, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 214 035	\$ 306 866
Cash	225	319
Subscriptions receivable	13	36
Dividends receivable, interest accrued and other assets	468	366
TOTAL ASSETS	214 741	307 587
LIABILITIES		
Due to investment dealers	–	698
Redemptions payable	1	35
Accounts payable and accrued expenses	11	14
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	12	747
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 214 729	\$ 306 840
Investments at cost	\$ 276 488	\$ 290 237
NAV		
SERIES A	\$ 1 177	\$ 1 590
SERIES D	\$ 2 105	\$ 4 480
SERIES F	\$ 2 124	\$ 2 250
SERIES O	\$ 209 323	\$ 298 520
NAV PER UNIT		
SERIES A	\$ 5.45	\$ 7.72
SERIES D	\$ 5.53	\$ 7.83
SERIES F	\$ 5.52	\$ 7.82
SERIES O	\$ 4.66	\$ 6.60

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 5 000	\$ 3 835
Interest for distribution purposes	124	37
Income from investment trusts	234	–
Derivative income	(2)	(3)
Net realized gain (loss) on investments	(7 790)	(11 556)
Change in unrealized gain (loss) on investments	(79 082)	(25 626)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(81 516)	(33 313)
Securities lending revenue (see note 7 in the generic notes)	36	104
Net gain (loss) on foreign cash balances	2	3
TOTAL OTHER INCOME (LOSS)	38	107
TOTAL INCOME (LOSS)	(81 478)	(33 206)
EXPENSES (see notes – Fund Specific Information)		
Management fees	80	99
Administration fees	61	69
Independent Review Committee costs	2	3
GST/HST	16	17
Transaction costs	961	809
TOTAL EXPENSES	1 120	997
INCREASE (DECREASE) IN NAV	\$ (82 598)	\$ (34 203)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (448)	\$ (199)
SERIES D	\$ (1 071)	\$ (559)
SERIES F	\$ (895)	\$ (287)
SERIES O	\$ (80 184)	\$ (33 158)
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.24)	\$ (0.97)
SERIES D	\$ (2.36)	\$ (0.89)
SERIES F	\$ (2.34)	\$ (0.78)
SERIES O	\$ (1.81)	\$ (0.73)



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (82 598)	\$ (34 203)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	8 720	12 426
Change in unrealized loss (gain) on investments	79 082	25 626
(Increase) decrease in accrued receivables	(102)	(117)
Increase (decrease) in accrued payables	(3)	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(387 542)	(606 773)
Proceeds from sale and maturity of investments	391 873	614 640
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9 430	11 597
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	5 895	6 937
Cash paid on redemption of redeemable units	(15 417)	(18 431)
Distributions paid to holders of redeemable units	(2)	(2)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (9 524)	\$ (11 496)
Net increase (decrease) in cash for the period	(94)	101
Cash (bank overdraft), beginning of period	319	218
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 225	\$ 319
Interest received (paid)	\$ 124	\$ 35
Dividends received, net of withholding taxes	\$ 4 898	\$ 3 721

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 590	\$ 1 671	\$ 4 480	\$ 5 122	\$ 2 250	\$ 2 485
INCREASE (DECREASE) IN NAV	(448)	(199)	(1 071)	(559)	(895)	(287)
Early redemption fees	—	—	4	1	—	—
Proceeds from redeemable units issued	444	671	4 001	5 050	1 530	1 198
Reinvestments of distributions to holders of redeemable units	4	—	32	3	30	7
Redemption of redeemable units	(409)	(553)	(5 308)	(5 134)	(761)	(1 146)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	39	118	(1 271)	(80)	799	59
Distributions from net income	(4)	—	(33)	(3)	(30)	(7)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4)	—	(33)	(3)	(30)	(7)
NET INCREASE (DECREASE) IN NAV	(413)	(81)	(2 375)	(642)	(126)	(235)
NAV AT END OF PERIOD	\$ 1 177	\$ 1 590	\$ 2 105	\$ 4 480	\$ 2 124	\$ 2 250

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 298 520	\$ 343 267	\$ 306 840	\$ 352 545
INCREASE (DECREASE) IN NAV	(80 184)	(33 158)	(82 598)	(34 203)
Early redemption fees	—	—	4	1
Proceeds from redeemable units issued	30	50	6 005	6 969
Reinvestments of distributions to holders of redeemable units	4 804	3 396	4 870	3 406
Redemption of redeemable units	(9 042)	(11 637)	(15 520)	(18 470)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(4 208)	(8 191)	(4 641)	(8 094)
Distributions from net income	(4 805)	(3 398)	(4 872)	(3 408)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 805)	(3 398)	(4 872)	(3 408)
NET INCREASE (DECREASE) IN NAV	(89 197)	(44 747)	(92 111)	(45 705)
NAV AT END OF PERIOD	\$ 209 323	\$ 298 520	\$ 214 729	\$ 306 840

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Oil, Gas and Consumable Fuels	47.3	50.6
Metals and Mining	17.2	18.2
Paper and Forest Products	12.8	11.9
Energy Equipment and Services	8.8	7.4
Chemicals	7.7	6.5
Containers and Packaging	2.1	4.0
Cash/Other	4.1	1.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Completion Total		
Return Index	+ or - 1.7	+ or - 2.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	207 021	–	–	207 021
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	7 014	–	7 014
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	207 021	7 014	–	214 035
% of total portfolio	96.7	3.3	–	100.0

Please see the generic notes at the back of the financial statements.

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	299 978	2 702	–	302 680
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	4 186	–	4 186
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	299 978	6 888	–	306 866
% of total portfolio	97.8	2.2	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	101	101
Series F	104	103
Value of all units	1	2

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	167 594
Non-capital losses	–



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	206	192
Issued number of units	63	85
Reinvested number of units	1	–
Redeemed number of units	(54)	(71)
Ending number of units	216	206
Series D		
Opening units	572	584
Issued number of units	537	634
Reinvested number of units	6	–
Redeemed number of units	(734)	(646)
Ending number of units	381	572
Series F		
Opening units	288	284
Issued number of units	200	152
Reinvested number of units	6	1
Redeemed number of units	(109)	(149)
Ending number of units	385	288
Series O		
Opening units	45 243	46 472
Issued number of units	6	7
Reinvested number of units	1 070	531
Redeemed number of units	(1 370)	(1 767)
Ending number of units	44 949	45 243

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	961	100	809	100
Related-party brokerage commissions*	63	7	60	7
Commission arrangements†	14	1	113	14

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	13 274	32 008
Fair value of collateral received	13 539	32 648

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	55	100	171	100
RBC IS (paid)	(14)	(25)	(46)	(27)
Tax withheld	(5)	(9)	(21)	(12)
Fund revenue	36	66	104	61

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Fund	23.8	25.5
RBC Canadian Equity Fund	35.0	33.9
RBC Global Balanced Fund	2.1	2.5
RBC Private Canadian Equity Pool	36.6	35.4
Total	97.5	97.3



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC NORTH AMERICAN VALUE FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
NORTH AMERICAN EQUITIES				
Communication Services				
42 934	Alphabet Inc., Class C	\$ 49 406	\$ 60 792	
1 370 000	Altice USA Inc., Class A	32 178	30 870	
775 900	BCE Inc.	39 154	41 844	
94 000	Charter Communications Inc.	28 743	36 582	
37 300	Facebook Inc., Class A	8 936	6 687	
423 566	Rogers Communications Inc., Class B	23 677	29 633	
730 000	Shaw Communications Inc., Class B	17 632	18 038	
509 900	TELUS Corp.	22 018	23 073	
875 000	Trilogy International Partners Inc., Warrants @ 11.50 February 7, 2022	391	9	
		222 135	247 528	8.5
Consumer Discretionary				
1 000 000	Aritzia Inc.	16 994	16 400	
118 000	Dollar General Corp.	16 533	17 415	
158 750	Dollar Tree Inc.	17 094	19 575	
973 600	Indigo Books & Music Inc.	16 929	10 982	
250 000	Lowe's Companies	31 413	31 522	
150 000	PVH Corp.	21 548	19 034	
1 380 860	Real Matters Inc.	11 003	4 557	
204 487	Restaurant Brands International Inc.	16 267	14 584	
375 000	Ross Stores Inc.	25 013	42 594	
105 000	Royal Caribbean Cruises Ltd.	16 512	14 016	
360 000	Tapestry Inc.	22 023	16 587	
50 000	Ulta Salon, Cosmetics & Fragrance, Inc.	16 952	16 713	
		228 281	223 979	7.7
Consumer Staples				
232 600	Alimentation Couche-Tard Inc.	13 526	15 796	
249 563	George Weston Ltd.	22 923	22 473	
353 800	Loblaw Companies Ltd.	16 307	21 621	
735 600	Maple Leaf Foods Inc.	15 126	20 104	
266 400	Mondelez International Inc.	14 879	14 558	
169 900	Walmart Inc.	17 572	21 606	
		100 333	116 158	4.0
Energy				
995 000	ARC Resources Ltd.	25 577	8 060	
470 800	Cameco Corp.	5 665	7 289	
1 706 100	Canadian Natural Resources Ltd.	68 147	56 199	
1 781 900	Enbridge Inc.	77 898	75 570	
1 971 900	Encana Corp.	28 516	15 539	
762 179	Husky Energy Inc.	16 232	10 754	
743 119	Imperial Oil Ltd.	32 450	25 704	

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy (cont.)				
521 900	Keyera Corp.	\$ 19 822	\$ 13 470	
5 745 300	MEG Energy Corp.	32 347	44 296	
1 429 282	PrairieSky Royalty Ltd.	43 855	25 255	
1 641 400	Suncor Energy Inc.	68 305	62 587	
748 596	TransCanada Corp.	40 963	36 494	
6 650 000	Trican Well Service Ltd.	8 898	7 914	
		468 675	389 131	13.4
Financials				
900 000	Acasta Enterprises Inc., Warrants @ 11.50 September 8, 2020	—	14	
1 502 000	AGF Management Ltd., Class B	9 454	7 240	
2 100 000	Alignvest Acquisition II Corp.	20 468	21 000	
1 050 000	Alignvest Acquisition II Corp., Warrants @ 11.50 July 4, 2022	532	420	
1 339 900	Bank of America Corp.	38 071	45 118	
1 478 238	Bank of Nova Scotia	102 030	100 594	
187 000	Berkshire Hathaway Inc., Class B	30 224	52 186	
1 423 847	Brookfield Asset Management Inc., Class A	54 655	74 496	
64 300	Capital One Financial Corp.	8 208	6 633	
149 700	E*TRADE Financial Corp.	11 468	8 971	
2 055 400	Element Fleet Management Corp.	13 730	14 203	
52 686	Fairfax Financial Holdings Ltd.	33 499	31 663	
678 000	Fairfax India Holdings Corp.	9 411	12 153	
150 800	Intact Financial Corp.	15 240	14 958	
422 125	JPMorgan Chase & Co.	48 056	56 320	
2 265 677	Manulife Financial Corporation	49 984	43 886	
134 500	Morgan Stanley	8 542	7 283	
301 260	Onex Corporation	18 044	22 399	
557 700	Power Corporation of Canada	16 535	13 680	
1 361 855	Royal Bank of Canada*	112 715	127 252	
332 700	Sun Life Financial Inc.	16 199	15 068	
3 133 451	The Westaim Corp.	8 932	8 084	
2 048 959	Toronto-Dominion Bank	133 101	139 042	
		759 098	822 663	28.3
Health Care				
170 000	Abbott Laboratories	15 568	16 787	
84 000	Anthem Inc.	21 260	30 118	
145 000	Bristol-Myers Squibb Co.	12 015	10 287	
182 300	Danaher Corp.	21 239	25 664	
260 000	Medtronic Plc.	18 510	32 292	
210 000	Merck & Co. Inc.	21 749	21 923	
160 000	UnitedHealth Group Incorporated	13 195	54 428	
		123 536	191 499	6.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
820 000	Air Canada	\$ 20 855	\$ 21 287	
500 000	ATS Automation Tooling Systems	7 000	7 195	
9 600 000	Bombardier Inc., Class B	25 698	19 488	
291 700	Brookfield Business Partners LP	10 215	12 129	
423 000	Canadian National Railway Co.	36 905	42 770	
188 000	Canadian Pacific Railway Ltd.	36 200	45 541	
260 000	Emerson Electric Co.	23 216	21 217	
125 000	Honeywell International Inc.	9 537	22 546	
615 050	SNC-Lavalin Group Inc.	31 125	28 243	
167 300	Stanley Black & Decker Inc.	22 378	27 352	
571 977	Thomson Reuters Corp.	27 910	37 710	
372 100	Transcontinental Inc., Class A	8 328	7 182	
		<u>259 367</u>	<u>292 660</u>	10.1
Information Technology				
157 416	Apple Inc.	26 252	33 941	
168 000	Applied Materials Inc.	7 725	7 515	
882 300	BlackBerry Ltd.	12 316	8 567	
25 000	Broadcom Inc.	7 753	8 679	
191 700	CGI Group Inc., Class A	11 674	16 007	
245 008	Cisco Systems Inc.	11 749	14 518	
119 200	Intel Corp.	5 189	7 643	
34 000	International Business Machines	6 760	5 274	
271 045	Microsoft Corp.	22 932	37 619	
171 400	Open Text Corp.	7 677	7 627	
131 312	Oracle Corporation	7 041	8 094	
		<u>127 068</u>	<u>155 484</u>	5.4
Materials				
199 300	Agnico Eagle Mines Ltd.	11 822	10 981	
1 042 300	Barrick Gold Corp.	18 426	19 210	
143 300	CCL Industries, Class B	8 795	7 174	
569 100	Detour Gold Corp.	7 443	6 562	
301 600	DowDuPont Inc.	22 018	22 020	
685 600	First Quantum Minerals Ltd.	13 187	7 569	
94 300	Franco-Nevada Corp.	7 975	9 027	
549 800	Goldcorp Inc.	9 022	7 351	
1 021 700	Interfor Corp.	17 679	14 733	
603 952	Nutrien Ltd.	39 396	38 725	
513 300	Teck Resources Ltd., Class B	15 968	15 086	
		<u>171 731</u>	<u>158 438</u>	5.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
926 300	Brookfield Property Partners LP	\$ 24 148	\$ 20 397	
1 321 200	Choice Properties Real Estate Investment Trust	16 517	15 220	
104 300	Colliers International Group Inc.	7 484	7 853	
1 015 900	Dream Unlimited Corp.	6 996	6 949	
		<u>55 145</u>	<u>50 419</u>	1.7
Utilities				
779 300	AltaGas Ltd.	11 814	10 832	
26 600	Brookfield Infrastructure Partners LP	1 363	1 254	
496 200	Canadian Utilities Ltd., Class A	15 744	15 541	
3 327 900	TransAlta Corp.	21 074	18 603	
		<u>49 995</u>	<u>46 230</u>	1.6
TOTAL NORTH AMERICAN EQUITIES		<u>2 565 364</u>	<u>2 694 189</u>	92.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
6 738	Canaccord Genuity Group Inc., Convertible	6.250	31-Dec-2023	\$ 6 738	\$ 6 650	
TOTAL BONDS				6 738	6 650	0.2
SHORT-TERM INVESTMENTS†						
44 720	Bank of Montreal			44 638	44 638	
49 592	Bank of Nova Scotia			49 697	49 697	
35 200	Enbridge Pipelines Inc.			46 774	47 946	
6 328	Government of Canada Treasury Bills			6 285	6 285	
1 670	JPMorgan Chase & Co.			2 225	2 274	
11 295	Province of Alberta			14 993	15 386	
3 560	Province of British Columbia			4 722	4 849	
13 400	Province of Quebec			18 019	18 252	
1 730	PSP Capital Inc.			2 301	2 356	
19 060	Suncor Energy Inc.			25 512	25 964	
16 600	Toronto-Dominion Bank			16 571	16 571	
TOTAL SHORT-TERM INVESTMENTS				231 737	234 218	8.1
TOTAL INVESTMENTS				2 803 839	2 935 057	101.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	3 249	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(19 482)	(0.7)
TOTAL PORTFOLIO				\$ 2 803 839	2 918 824	100.5
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					(14 565)	(0.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 2 904 259	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 7 765 Sold CAD 10 590 @ 0.7332	02-Jan-2019	\$ 11
Bought USD 8 000 Sold CAD 10 866 @ 0.7362	09-Jan-2019	53
Bought USD 7 000 Sold CAD 9 091 @ 0.7700	14-Jan-2019	462
Bought USD 3 000 Sold CAD 3 965 @ 0.7566	14-Jan-2019	129
Bought USD 2 525 Sold CAD 3 351 @ 0.7535	24-Jan-2019	94
Bought USD 4 000 Sold CAD 5 244 @ 0.7628	28-Jan-2019	213
Bought USD 905 Sold CAD 1 213 @ 0.7463	28-Jan-2019	22
Bought SEK 51 230 Sold CAD 7 512 @ 6.8201	11-Feb-2019	399
Bought USD 16 000 Sold CAD 21 399 @ 0.7477	22-Feb-2019	416
Bought NOK 97 199 Sold CAD 15 013 @ 6.4743	27-Feb-2019	352
Bought USD 6 700 Sold CAD 8 941 @ 0.7494	04-Mar-2019	192
Bought SEK 60 447 Sold CAD 9 059 @ 6.6724	11-Mar-2019	288
Bought USD 15 835 Sold CAD 21 175 @ 0.7478	19-Mar-2019	405
Bought USD 6 000 Sold CAD 8 067 @ 0.7438	19-Mar-2019	110
Bought USD 8 350 Sold CAD 11 276 @ 0.7405	19-Mar-2019	103
		\$ 3 249

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 17 097 Sold USD 13 247 @ 1.2906	04-Jan-2019	\$ (988)
Bought CAD 29 958 Sold USD 23 000 @ 1.3025	09-Jan-2019	(1 436)
Bought CAD 3 406 Sold USD 2 600 @ 1.3100	09-Jan-2019	(143)
Bought CAD 13 737 Sold USD 10 756 @ 1.2771	14-Jan-2019	(942)
Bought CAD 9 241 Sold USD 7 100 @ 1.3016	22-Jan-2019	(446)
Bought CAD 889 Sold USD 680 @ 1.3069	23-Jan-2019	(39)
Bought CAD 13 732 Sold USD 10 500 @ 1.3078	23-Jan-2019	(594)
Bought CAD 3 849 Sold USD 2 868 @ 1.3421	23-Jan-2019	(64)
Bought CAD 11 428 Sold USD 8 754 @ 1.3054	24-Jan-2019	(516)
Bought CAD 8 502 Sold USD 6 500 @ 1.3080	24-Jan-2019	(367)
Bought CAD 17 672 Sold USD 13 704 @ 1.2895	28-Jan-2019	(1 023)
Bought CAD 33 780 Sold USD 25 850 @ 1.3068	28-Jan-2019	(1 484)
Bought CAD 2 884 Sold USD 2 200 @ 1.3110	28-Jan-2019	(117)
Bought CAD 12 388 Sold USD 9 473 @ 1.3077	29-Jan-2019	(535)
Bought CAD 4 930 Sold USD 3 809 @ 1.2943	30-Jan-2019	(266)
Bought CAD 5 754 Sold USD 4 400 @ 1.3076	31-Jan-2019	(248)
Bought CAD 13 701 Sold USD 10 500 @ 1.3048	01-Feb-2019	(622)
Bought CAD 6 583 Sold USD 5 000 @ 1.3165	01-Feb-2019	(237)
Bought CAD 8 936 Sold USD 6 845 @ 1.3055	04-Feb-2019	(400)
Bought CAD 18 211 Sold USD 13 365 @ 1.3626	04-Feb-2019	(18)
Bought CAD 2 620 Sold USD 2 000 @ 1.3098	05-Feb-2019	(108)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 3 649 Sold USD 2 731 @ 1.3363	06-Feb-2019	\$ (75)
Bought CAD 4 000 Sold USD 3 000 @ 1.3334	11-Feb-2019	(91)
Bought CAD 7 730 Sold SEK 51 230 @ 0.1509	11-Feb-2019	(179)
Bought CAD 6 018 Sold USD 4 598 @ 1.3089	12-Feb-2019	(252)
Bought CAD 2 579 Sold USD 1 954 @ 1.3201	12-Feb-2019	(85)
Bought CAD 10 630 Sold USD 8 123 @ 1.3086	14-Feb-2019	(447)
Bought CAD 6 794 Sold USD 5 100 @ 1.3321	14-Feb-2019	(161)
Bought CAD 12 908 Sold USD 9 740 @ 1.3253	20-Feb-2019	(372)
Bought CAD 44 920 Sold USD 34 219 @ 1.3127	21-Feb-2019	(1 736)
Bought CAD 29 735 Sold USD 22 604 @ 1.3155	22-Feb-2019	(1 084)
Bought CAD 12 325 Sold USD 9 300 @ 1.3253	26-Feb-2019	(354)
Bought CAD 7 297 Sold USD 5 519 @ 1.3221	01-Mar-2019	(227)
Bought CAD 25 216 Sold USD 18 995 @ 1.3275	04-Mar-2019	(677)
Bought CAD 6 341 Sold USD 4 750 @ 1.3349	05-Mar-2019	(134)
Bought CAD 10 079 Sold USD 7 592 @ 1.3276	11-Mar-2019	(269)
Bought CAD 9 062 Sold SEK 60 447 @ 0.1499	11-Mar-2019	(285)
Bought CAD 5 810 Sold USD 4 400 @ 1.3204	12-Mar-2019	(187)
Bought CAD 4 639 Sold USD 3 475 @ 1.3348	14-Mar-2019	(97)
Bought CAD 14 947 Sold USD 11 175 @ 1.3375	15-Mar-2019	(283)
Bought CAD 36 866 Sold USD 27 412 @ 1.3449	15-Mar-2019	(493)
Bought CAD 46 971 Sold USD 35 112 @ 1.3378	19-Mar-2019	(878)
Bought CAD 20 101 Sold USD 15 093 @ 1.3318	20-Mar-2019	(467)
Bought CAD 4 035 Sold USD 3 002 @ 1.3441	25-Mar-2019	(56)
		<u>\$ (19 482)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (16 233)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 1.52% to 2.91% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 935 057	\$ 3 070 135
Cash	748	1 344
Due from investment dealers	14 857	7 621
Subscriptions receivable	1 774	2 472
Unrealized gain on foreign exchange contracts	3 249	6 934
Dividends receivable, interest accrued and other assets	5 879	4 386
TOTAL ASSETS	2 961 564	3 092 892
LIABILITIES		
Due to investment dealers	32 148	10 788
Redemptions payable	1 804	2 276
Unrealized loss on foreign exchange contracts	19 482	2 673
Distributions payable	76	40
Accounts payable and accrued expenses	3 795	4 100
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	57 305	19 877
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 904 259	\$ 3 073 015
Investments at cost	\$ 2 803 839	\$ 2 558 940
NAV		
SERIES A	\$ 1 529 169	\$ 1 740 366
ADVISOR SERIES	\$ 453 490	\$ 524 722
ADVISOR T5 SERIES	\$ 3 663	\$ 3 478
SERIES T5	\$ 2 927	\$ 1 931
SERIES D	\$ 97 831	\$ 102 003
SERIES F	\$ 589 712	\$ 464 161
SERIES FT5	\$ 11 839	\$ 6 354
SERIES O	\$ 215 628	\$ 230 000
NAV PER UNIT		
SERIES A	\$ 21.66	\$ 24.54
ADVISOR SERIES	\$ 22.15	\$ 25.07
ADVISOR T5 SERIES	\$ 19.75	\$ 22.83
SERIES T5	\$ 19.72	\$ 22.81
SERIES D	\$ 23.18	\$ 26.26
SERIES F	\$ 25.01	\$ 28.34
SERIES FT5	\$ 23.12	\$ 26.43
SERIES O	\$ 23.25	\$ 26.35

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 69 442	\$ 54 024
Interest for distribution purposes	4 416	2 464
Income from investment trusts	1 504	857
Derivative income	(27 125)	29 198
Net realized gain (loss) on investments	130 219	141 248
Change in unrealized gain (loss) on investments	(400 471)	129 898
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(222 015)	357 689
Other income (loss)	2	–
Securities lending revenue (see note 7 in the generic notes)	488	1 793
Net gain (loss) on foreign cash balances	115	400
TOTAL OTHER INCOME (LOSS)	605	2 193
TOTAL INCOME (LOSS)	(221 410)	359 882
EXPENSES (see notes – Fund Specific Information)		
Management fees	39 972	37 258
Administration fees	3 814	3 465
Independent Review Committee costs	2	3
GST/HST	4 555	4 242
Transaction costs	3 177	2 624
Withholding tax	2 796	2 078
TOTAL EXPENSES	54 316	49 670
INCREASE (DECREASE) IN NAV	\$ (275 726)	\$ 310 212
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (152 050)	\$ 174 094
ADVISOR SERIES	\$ (44 659)	\$ 53 716
ADVISOR T5 SERIES	\$ (367)	\$ 276
SERIES T5	\$ (344)	\$ 175
SERIES D	\$ (8 803)	\$ 10 374
SERIES F	\$ (51 792)	\$ 43 944
SERIES FT5	\$ (1 077)	\$ 479
SERIES O	\$ (16 634)	\$ 27 154
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.17)	\$ 2.54
ADVISOR SERIES	\$ (2.18)	\$ 2.60
ADVISOR T5 SERIES	\$ (2.07)	\$ 2.43
SERIES T5	\$ (2.84)	\$ 2.36
SERIES D	\$ (2.17)	\$ 2.96
SERIES F	\$ (2.52)	\$ 3.37
SERIES FT5	\$ (2.89)	\$ 3.18
SERIES O	\$ (1.90)	\$ 3.22

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (275 726)	\$ 310 212
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(127 463)	(138 833)
Change in unrealized loss (gain) on investments	400 471	(129 898)
(Increase) decrease in accrued receivables	(1 493)	(471)
Increase (decrease) in accrued payables	(305)	644
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(5 439 846)	(5 525 319)
Proceeds from sale and maturity of investments	5 336 534	5 230 280
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(107 828)	(253 385)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	610 050	646 655
Cash paid on redemption of redeemable units	(493 890)	(385 501)
Distributions paid to holders of redeemable units	(8 928)	(7 865)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 107 232	\$ 253 289
Net increase (decrease) in cash for the period	(596)	(96)
Cash (bank overdraft), beginning of period	1 344	1 440
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 748	\$ 1 344
Interest received (paid)	\$ 4 265	\$ 2 358
Dividends received, net of withholding taxes	\$ 65 306	\$ 51 581

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 740 366	\$ 1 496 612	\$ 524 722	\$ 484 432	\$ 3 478	\$ 1 734	\$ 1 931	\$ 997
INCREASE (DECREASE) IN NAV	(152 050)	174 094	(44 659)	53 716	(367)	276	(344)	175
Early redemption fees	1	1	—	—	—	—	—	—
Proceeds from redeemable units issued	319 438	375 551	86 227	97 032	1 749	1 836	3 567	1 133
Reinvestments of distributions to holders of redeemable units	45 694	56 536	12 996	16 268	30	11	40	17
Redemption of redeemable units	(377 390)	(304 446)	(112 110)	(109 585)	(1 023)	(253)	(2 126)	(311)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(12 257)	127 642	(12 887)	3 715	756	1 594	1 481	839
Distributions from net income	(1 513)	—	(458)	—	(5)	—	(3)	—
Distributions from net gains	(45 377)	(57 982)	(13 228)	(17 141)	(109)	(112)	(84)	(63)
Distributions from capital	—	—	—	—	(90)	(14)	(54)	(17)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(46 890)	(57 982)	(13 686)	(17 141)	(204)	(126)	(141)	(80)
NET INCREASE (DECREASE) IN NAV	(211 197)	243 754	(71 232)	40 290	185	1 744	996	934
NAV AT END OF PERIOD	\$ 1 529 169	\$ 1 740 366	\$ 453 490	\$ 524 722	\$ 3 663	\$ 3 478	\$ 2 927	\$ 1 931

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 102 003	\$ 79 474	\$ 464 161	\$ 246 363	\$ 6 354	\$ 1 462
INCREASE (DECREASE) IN NAV	(8 803)	10 374	(51 792)	43 944	(1 077)	479
Early redemption fees	2	—	—	—	—	—
Proceeds from redeemable units issued	28 925	29 398	298 883	252 256	9 545	5 167
Reinvestments of distributions to holders of redeemable units	3 738	3 672	18 986	12 776	38	82
Redemption of redeemable units	(24 203)	(17 153)	(115 418)	(73 328)	(2 514)	(583)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	8 462	15 917	202 451	191 704	7 069	4 666
Distributions from net income	(958)	(428)	(7 453)	(2 594)	(117)	(47)
Distributions from net gains	(2 873)	(3 334)	(17 655)	(15 256)	(337)	(206)
Distributions from capital	—	—	—	—	(53)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 831)	(3 762)	(25 108)	(17 850)	(507)	(253)
NET INCREASE (DECREASE) IN NAV	(4 172)	22 529	125 551	217 798	5 485	4 892
NAV AT END OF PERIOD	\$ 97 831	\$ 102 003	\$ 589 712	\$ 464 161	\$ 11 839	\$ 6 354

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 230 000	\$ 199 609	\$ 3 073 015	\$ 2 510 683
INCREASE (DECREASE) IN NAV	(16 634)	27 154	(275 726)	310 212
Early redemption fees	—	—	3	1
Proceeds from redeemable units issued	16 825	19 506	765 159	781 879
Reinvestments of distributions to holders of redeemable units	10 507	9 863	92 029	99 225
Redemption of redeemable units	(14 444)	(16 210)	(649 228)	(521 869)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	12 888	13 159	207 963	359 236
Distributions from net income	(4 365)	(2 251)	(14 872)	(5 320)
Distributions from net gains	(6 261)	(7 671)	(85 924)	(101 765)
Distributions from capital	—	—	(197)	(31)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 626)	(9 922)	(100 993)	(107 116)
NET INCREASE (DECREASE) IN NAV	(14 372)	30 391	(168 756)	562 332
NAV AT END OF PERIOD	\$ 215 628	\$ 230 000	\$ 2 904 259	\$ 3 073 015



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	28.3	30.0
Energy	13.4	13.3
Industrials	10.1	9.0
Communication Services	8.5	2.9
Underlying Funds	8.1	7.1
Consumer Discretionary	7.7	8.7
Health Care	6.6	4.7
Materials	5.5	5.5
Information Technology	5.4	10.5
Consumer Staples	4.0	4.9
Real Estate	1.7	1.8
Utilities	1.6	1.3
Bonds	0.2	0.2
Cash/Other	(1.1)	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	20.5	21.9
Norwegian krone	0.5	0.5
Total	21.0	22.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.1% (December 31, 2017 – 1.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite Total Return Index	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 694 189	–	–	2 694 189
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	6 650	–	6 650
Short-term investments	–	234 218	–	234 218
Derivatives – assets	–	3 249	–	3 249
Derivatives – liabilities	–	(19 482)	–	(19 482)
Total financial instruments	2 694 189	224 635	–	2 918 824
% of total portfolio	92.3	7.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 790 610	46 990	–	2 837 600
Underlying funds	7 384	–	–	7 384
Fixed-income				
and debt securities	–	5 500	–	5 500
Short-term investments	–	219 651	–	219 651
Derivatives – assets	–	6 934	–	6 934
Derivatives – liabilities	–	(2 673)	–	(2 673)
Total financial instruments	2 797 994	276 402	–	3 074 396
% of total portfolio	91.0	9.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Advisor T5 Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor T5 Series	60	57
Series T5	60	57
Series F	50	48
Series FT5	54	51
Series O	42	40
Value of all units	6	6

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares S&P/TSX Global				
Gold Index Fund	–	–	0.2	0.9

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Please see the generic notes at the back of the financial statements.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	70 923	65 553
Issued number of units	13 122	15 826
Reinvested number of units	2 125	2 299
Redeemed number of units	(15 559)	(12 755)
Ending number of units	70 611	70 923
Advisor Series		
Opening units	20 929	20 791
Issued number of units	3 476	4 002
Reinvested number of units	591	647
Redeemed number of units	(4 519)	(4 511)
Ending number of units	20 477	20 929
Advisor T5 Series		
Opening units	152	80
Issued number of units	78	82
Reinvested number of units	1	1
Redeemed number of units	(46)	(11)
Ending number of units	185	152
Series T5		
Opening units	85	46
Issued number of units	158	52
Reinvested number of units	2	1
Redeemed number of units	(97)	(14)
Ending number of units	148	85
Series D		
Opening units	3 884	3 269
Issued number of units	1 107	1 150
Reinvested number of units	162	140
Redeemed number of units	(932)	(675)
Ending number of units	4 221	3 884
Series F		
Opening units	16 378	9 400
Issued number of units	10 565	9 168
Reinvested number of units	765	450
Redeemed number of units	(4 126)	(2 640)
Ending number of units	23 582	16 378
Series FT5		
Opening units	240	59
Issued number of units	369	200
Reinvested number of units	2	3
Redeemed number of units	(99)	(22)
Ending number of units	512	240
Series O		
Opening units	8 728	8 216
Issued number of units	645	767
Reinvested number of units	455	374
Redeemed number of units	(552)	(629)
Ending number of units	9 276	8 728



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	3 177	100	2 624	100
Related-party brokerage commissions*	387	12	295	11
Commission arrangements†	245	8	184	7

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	92 337		123 742	
Fair value of collateral received	94 184		126 217	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	671	100	2 508	100
RBC IS (paid)	(164)	(25)	(635)	(25)
Tax withheld	(19)	(3)	(80)	(3)
Fund revenue	488	72	1 793	72

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC North American Value Class	6.2	6.5

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	3 249	(19 482)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3 249	(19 482)
Related amounts not set-off	(3 161)	3 161
Collateral (received) pledged	–	4 688
Net amount	88	(11 633)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	6 934	(2 673)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	6 934	(2 673)
Related amounts not set-off	(2 414)	2 414
Collateral (received) pledged	(303)	244
Net amount	4 217	(15)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC NORTH AMERICAN GROWTH FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
NORTH AMERICAN EQUITIES				
Communication Services				
5 610	Alphabet Inc., Class A	\$ 5 729	\$ 8 010	
29 694	AT&T Inc.	1 540	1 157	
80 600	BCE Inc.	3 047	4 347	
3 760	Charter Communications Inc.	1 443	1 463	
56 960	Comcast Corp., Class A	2 654	2 648	
6 500	Electronic Arts Inc.	698	700	
175 000	Entertainment One Ltd.	1 042	1 086	
19 970	Facebook Inc., Class A	3 041	3 580	
5 150	Netflix Inc.	1 000	1 882	
28 000	Quebecor Inc., Class B	753	805	
58 500	Rogers Communications Inc., Class B	3 100	4 093	
91 800	Shaw Communications Inc., Class B	1 772	2 268	
76 400	TELUS Corp.	1 795	3 457	
7 550	The Walt Disney Company	1 069	1 130	
9 940	T-Mobile US Inc.	776	864	
26 400	Verizon Communications Inc.	1 824	2 026	
		31 283	39 516	8.1
Consumer Discretionary				
3 860	Amazon.com, Inc.	3 729	7 915	
5 400	Aptiv Plc.	633	454	
91 000	Aritzia Inc.	1 476	1 492	
54 600	AutoCanada Inc.	609	620	
500	Autozone Inc.	539	572	
420	Booking Holdings Inc.	841	988	
12 000	Canadian Tire Corp. Ltd., Class A	883	1 713	
17 800	Dollarama Inc.	889	578	
10 850	General Motors Co.	521	495	
21 000	Great Canadian Gaming Corp.	1 040	1 005	
12 900	Home Depot Inc.	2 356	3 027	
8 770	Lowe's Companies	842	1 106	
54 400	Magna International Inc., Class A	1 315	3 371	
5 750	Marriott International Inc., Class A	744	852	
3 500	Marriott Vacations Worldwide Corp.	595	337	
5 738	McDonald's Corp.	1 009	1 391	
9 350	Nike Inc.	643	946	
1 410	O'Reilly Automotive Inc.	536	663	
3 925	PVH Corp.	588	498	
27 800	Restaurant Brands International Inc.	1 346	1 983	
21 000	Spin Master Corp.	378	806	
10 360	Starbucks Corp.	802	911	
12 112	Tapestry Inc.	780	558	
43 600	The Stars Group Inc.	1 235	983	
2 100	Ulta Salon, Cosmetics & Fragrance, Inc.	695	702	
6 513	V.F. Corporation	659	634	
		25 683	34 600	7.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples				
65 684	Alimentation Couche-Tard Inc.	\$ 2 331	\$ 4 461	
15 738	Altria Group Inc.	1 367	1 061	
3 120	Constellation Brands Inc.	638	685	
3 673	Costco Wholesale Corp.	833	1 022	
5 522	Estée Lauder Companies Inc., Class A	907	981	
13 537	George Weston Ltd.	1 274	1 219	
27 300	Jamieson Wellness Inc.	430	582	
31 900	Loblaw Companies Ltd.	1 608	1 949	
33 500	Maple Leaf Foods Inc.	1 036	916	
3 739	McCormick & Co. Inc.	528	711	
19 470	Mondelez International Inc.	1 143	1 064	
9 830	PepsiCo Inc.	1 377	1 483	
13 461	Philip Morris International Inc.	1 662	1 227	
4 200	Premium Brands Holdings Corp.	311	314	
42 000	Saputo Group Inc.	1 676	1 646	
48 909	The Coca-Cola Co.	2 771	3 162	
23 226	The Procter & Gamble Co.	2 667	2 916	
14 247	Walmart Inc.	1 514	1 812	
		24 073	27 211	5.6
Energy				
4 520	Apache Corp.	367	162	
383 656	Baytex Energy Corp.	1 653	925	
164 800	Canadian Natural Resources Ltd.	4 935	5 429	
205 000	Cenovus Energy Inc.	4 146	1 968	
21 090	Chevron Corp.	3 270	3 133	
4 960	Concho Resources Inc.	893	696	
15 000	ConocoPhillips	1 238	1 277	
13 470	Devon Energy Corporation	739	414	
223 682	Enbridge Inc.	9 311	9 486	
106 500	Encana Corp.	1 032	839	
49 900	Enerflex Ltd.	825	797	
11 540	EOG Resources Inc.	1 468	1 374	
23 410	Exxon Mobil Corp.	2 835	2 180	
14 790	Halliburton Co.	1 063	536	
10 000	Hess Corp.	650	553	
130 000	Kelt Exploration Ltd.	612	602	
22 750	Kinder Morgan Inc.	638	478	
400 000	Painted Pony Energy Ltd.	2 247	595	
53 500	Parex Resources Inc.	1 120	874	
14 700	Patterson-UTI Energy Inc.	498	207	
76 400	Pembina Pipeline Corp.	2 465	3 094	
3 860	Pioneer Natural Resources Co.	956	693	
6 990	Schlumberger Ltd.	704	345	
105 900	Secure Energy Services Inc.	1 482	742	
237 000	Suncor Energy Inc.	8 664	9 037	
89 100	Tourmaline Oil Corp.	2 988	1 513	
125 700	TransCanada Corp.	5 124	6 128	
482 390	Trican Well Service Ltd.	1 896	574	
45 393	Vermilion Energy Inc.	2 094	1 306	
200 000	Whitecap Resources Inc.	1 894	870	
		67 807	56 827	11.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
6 000	American Express Company	\$ 646	\$ 781	
15 530	American International Group Inc.	1 381	836	
5 560	Aon Plc.	885	1 103	
105 250	Bank of America Corp.	1 909	3 544	
84 500	Bank of Montreal	5 027	7 537	
179 700	Bank of Nova Scotia	6 586	12 229	
15 380	Berkshire Hathaway Inc., Class B	3 410	4 292	
2 220	BlackRock Inc.	1 178	1 191	
126 800	Brookfield Asset Management Inc., Class A	2 308	6 634	
58 900	Canadian Imperial Bank of Commerce	4 386	5 989	
7 410	Chubb Ltd.	1 318	1 307	
21 290	Citigroup Inc.	1 495	1 513	
11 160	Citizens Financial Group Inc.	537	453	
4 000	CME Group Inc., Class A	628	1 027	
6 780	Comerica Inc.	659	636	
10 700	E*TRADE Financial Corp.	837	641	
64 082	Element Fleet Management Corp.	423	443	
2 600	Fairfax Financial Holdings Ltd.	1 720	1 563	
15 000	Intact Financial Corp.	1 305	1 488	
37 050	JPMorgan Chase & Co.	3 025	4 943	
303 900	Manulife Financial Corporation	5 880	5 887	
17 760	MetLife Inc.	1 119	996	
22 110	Morgan Stanley	800	1 197	
6 690	PNC Bank Corp.	1 131	1 068	
106 700	Power Corporation of Canada	2 979	2 617	
3 620	Prudential Financial Inc.	518	403	
191 350	Royal Bank of Canada*	8 878	17 880	
4 570	S&P Global Inc.	685	1 060	
88 700	Sun Life Financial Inc.	3 344	4 017	
9 900	Suntrust Banks Inc.	740	682	
24 140	The Charles Schwab Corporation	959	1 369	
1 660	The Goldman Sachs Group Inc.	356	379	
5 790	The Nasdaq Stock Market Inc.	525	645	
11 150	The Progressive Corp.	532	918	
239 600	Toronto-Dominion Bank	7 056	16 259	
7 830	U.S. Bancorp	550	489	
36 890	Wells Fargo & Company	2 766	2 321	
9 550	Zions Bancorporation	559	531	
		79 040	116 868	24.0

Health Care				
24 232	Abbott Laboratories	1 489	2 393	
9 591	AbbVie Inc.	861	1 207	
4 140	Alexion Pharmaceuticals Inc.	669	551	
3 529	Allergan plc	878	644	
5 060	Amgen Inc.	994	1 346	
3 836	Anthem Inc.	855	1 375	
32 300	Bausch Health Co. Inc.	1 811	816	
8 500	Baxter International Inc.	827	764	
2 471	Biogen Inc.	1 011	1 015	
30 480	Boston Scientific Corp.	842	1 471	
21 290	Bristol-Myers Squibb Co.	1 670	1 510	
24 800	Canopy Growth Corp.	1 364	908	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
6 385	Celgene Corp.	\$ 895	\$ 559	
77 000	Chartwell Retirement Residences Real Estate Investment Trust	1 160	1 053	
12 400	CVS Health Corp.	1 252	1 109	
15 018	Elanco Animal Health Inc.	465	646	
8 200	Eli Lilly & Co.	808	1 295	
10 880	Gilead Sciences Inc.	1 087	930	
1 370	Intuitive Surgical Inc.	387	896	
22 470	Johnson & Johnson	3 582	3 959	
2 708	Laboratory Corp. of America Holdings	585	467	
14 460	Medtronic Plc.	1 590	1 796	
18 410	Merck & Co. Inc.	1 563	1 922	
10 303	Moderna Inc.	315	215	
53 219	Pfizer Inc.	2 325	3 171	
2 579	Stryker Corp.	549	552	
6 354	Thermo Fisher Scientific Inc.	1 331	1 941	
11 751	UnitedHealth Group Incorporated	2 214	3 997	
5 658	Vertex Pharmaceuticals Inc.	1 086	1 280	
		34 465	39 788	8.2

Industrials				
2 680	3M Co.	641	697	
13 000	AG Growth International Inc.	820	608	
65 900	Air Canada	562	1 711	
6 460	Boeing Co.	1 322	2 844	
496 000	Bombardier Inc., Class B	1 678	1 007	
99 000	Canadian National Railway Co.	3 114	10 010	
23 300	Canadian Pacific Railway Ltd.	4 585	5 644	
8 250	Caterpillar Inc.	1 255	1 431	
16 200	CSX Corp.	984	1 374	
7 850	Delta Air Lines Inc.	533	535	
9 560	Eaton Corp Plc.	856	896	
4 030	FedEx Corporation	920	887	
8 000	Fortive Corp.	634	739	
4 600	General Dynamics Corp.	971	987	
42 880	General Electric Company	1 842	443	
9 500	Honeywell International Inc.	1 494	1 714	
2 460	Illinois Tool Works Inc.	414	425	
16 880	Johnson Controls International Plc.	962	683	
3 360	Lockheed Martin Corporation	1 137	1 201	
3 080	Northrop Grumman Corp.	975	1 030	
3 880	Parker Hannifin Corp.	744	790	
2 790	Raytheon Company	535	584	
1 583	Resideo Technologies Inc.	58	44	
2 100	Rockwell Automation Inc.	436	431	
41 139	SNC-Lavalin Group Inc.	2 021	1 889	
7 840	Southwest Airlines	500	498	
39 039	Thomson Reuters Corp.	1 821	2 574	
45 770	Transcontinental Inc., Class A	982	883	
9 250	Union Pacific Corp.	1 137	1 746	
2 720	United Parcel Service Inc.	426	362	
8 600	United Technologies Corp.	1 463	1 250	
38 200	Waste Connections Inc.	2 231	3 871	
8 980	Waste Management Inc.	857	1 091	
		38 910	50 879	10.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
9 410	Accenture Plc., Class A	\$ 1 675	\$ 1 811	
7 200	Adobe Inc.	1 140	2 225	
8 060	Amphenol Corp., Class A	780	891	
35 140	Apple Inc.	4 924	7 577	
8 000	Applied Materials Inc.	388	358	
6 940	Autodesk Inc.	847	1 220	
102 400	BlackBerry Ltd.	1 252	994	
5 720	Broadcom Inc.	1 151	1 986	
33 500	CGI Group Inc., Class A	1 216	2 797	
40 910	Cisco Systems Inc.	1 779	2 424	
16 210	Corning Inc.	533	669	
5 920	Fiserv Inc.	430	594	
35 048	Intel Corp.	1 981	2 247	
3 110	International Business Machines	651	482	
2 100	Intuit Inc.	587	564	
11 100	Kinaxis Inc.	914	731	
11 440	Mastercard Inc.	1 545	2 946	
4 700	Micron Technology Inc.	367	204	
72 110	Microsoft Corp.	4 832	10 008	
4 965	Nvidia Corp.	946	905	
54 200	Open Text Corp.	1 887	2 412	
10 480	Oracle Corporation	598	646	
17 600	PayPal Holdings Inc.	1 709	2 022	
8 200	QUALCOMM Inc.	710	637	
11 610	Salesforce.com Inc.	1 230	2 171	
2 850	ServiceNow Inc.	535	692	
14 500	Shopify Inc., Class A	1 752	2 737	
11 316	Texas Instruments Inc.	1 051	1 460	
20 040	Visa Inc., Class A	2 095	3 611	
5 620	Western Digital Corp.	523	284	
4 400	Xilinx Inc.	502	512	
		40 530	58 817	12.1
Materials				
44 400	Agnico Eagle Mines Ltd.	2 046	2 446	
3 770	Air Products & Chemicals Inc.	745	824	
1 090	Albemarle Corp.	130	115	
72 600	Detour Gold Corp.	1 052	837	
22 576	DowDuPont Inc.	1 860	1 648	
4 120	Ecolab Inc.	673	829	
49 000	Endeavour Mining Corp.	1 114	1 095	
92 000	First Quantum Minerals Ltd.	1 718	1 016	
16 400	Franco-Nevada Corp.	1 229	1 570	
28 810	Freeport-McMoRan Inc.	431	406	
104 000	Goldcorp Inc.	3 070	1 390	
7 400	International Paper Co.	535	408	
20 000	Kirkland Lake Gold Ltd.	473	712	
36 000	Labrador Iron Ore Royalty Corp.	917	873	
143 000	Lundin Mining Corp.	737	807	
38 356	Neo Performance Materials Inc.	690	591	
12 000	Newmont Mining Corporation	487	568	
98 259	Nutrien Ltd.	6 409	6 300	
352 000	OceanaGold Corp.	1 130	1 753	
1 500	Sherwin-Williams Co.	537	806	
190 000	Tahoe Resources Inc.	2 921	944	
84 700	Teck Resources Ltd., Class B	2 200	2 489	
97 200	Torex Gold Resources Inc.	1 687	1 263	

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
8 500	West Fraser Timber Co. Ltd.	\$ 729	\$ 573	
7 540	WestRock Co.	476	389	
85 800	Wheaton Precious Metals Corp.	2 230	2 287	
338 000	Yamana Gold Inc.	1 345	1 085	
		37 571	34 024	7.0
Real Estate				
27 800	Allied Properties Real Estate Investment Trust	1 132	1 232	
5 100	American Tower Corp. Real Estate Investment Trust	840	1 102	
66 601	Brookfield Property Partners LP	1 544	1 467	
111 589	Choice Properties Real Estate Investment Trust	788	1 286	
7 100	Crown Castle International Corp. Real Estate Investment Trust	884	1 053	
1 850	Equinix Inc. Real Estate Investment Trust	1 041	891	
10 500	FirstService Corp.	1 060	984	
61 642	InterRent Real Estate Investment Trust	652	804	
121 850	Invesque Inc.	1 581	1 186	
12 300	ProLogis Inc. Trust	878	986	
3 700	Simon Property Group Inc.	745	849	
3 000	SL Green Realty Corp. Real Estate Investment Trust	431	324	
89 900	Tricon Capital Group Inc.	956	871	
16 600	Weyerhaeuser Company Ltd.	756	495	
		13 288	13 530	2.8
Utilities				
116 700	Algonquin Power & Utilities Corp.	1 281	1 602	
13 000	Alliant Energy Corp.	707	750	
8 000	Ameren Corporation	667	712	
70 500	Boralex Inc., Class A	1 180	1 187	
39 200	Brookfield Infrastructure Partners LP	2 009	1 848	
11 000	CMS Energy Corp.	686	745	
6 100	DTE Energy Company	789	919	
16 500	FirstEnergy Corporation	812	846	
6 800	NextEra Energy Inc.	1 283	1 614	
11 900	Public Service Enterprise Group	711	846	
107 000	Superior Plus Corp.	831	1 036	
10 300	Xcel Energy Inc.	629	693	
		11 585	12 798	2.6
TOTAL NORTH AMERICAN EQUITIES		404 235	484 858	99.6
SHORT-TERM INVESTMENTS†		3 758	3 758	0.7
TOTAL INVESTMENTS		407 993	488 616	100.3
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	336	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(2 479)	(0.5)
TOTAL PORTFOLIO		\$ 407 993	486 473	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			471	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 486 944	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 150 Sold CAD 197 @ 0.7632	04-Jan-2019	\$ 8
Bought USD 500 Sold CAD 671 @ 0.7455	04-Jan-2019	12
Bought USD 625 Sold CAD 812 @ 0.7700	14-Jan-2019	41
Bought USD 450 Sold CAD 603 @ 0.7462	14-Jan-2019	11
Bought USD 1 136 Sold CAD 1 451 @ 0.7832	15-Jan-2019	100
Bought USD 50 Sold CAD 65 @ 0.7652	23-Jan-2019	3
Bought USD 105 Sold CAD 141 @ 0.7451	23-Jan-2019	2
Bought USD 670 Sold CAD 889 @ 0.7535	24-Jan-2019	25
Bought USD 200 Sold CAD 262 @ 0.7628	28-Jan-2019	11
Bought USD 40 Sold CAD 54 @ 0.7463	28-Jan-2019	1
Bought USD 330 Sold CAD 438 @ 0.7527	04-Feb-2019	12
Bought USD 1 000 Sold CAD 1 356 @ 0.7376	11-Feb-2019	8
Bought USD 600 Sold CAD 792 @ 0.7578	13-Feb-2019	26
Bought USD 940 Sold CAD 1 255 @ 0.7493	04-Mar-2019	27
Bought USD 825 Sold CAD 1 120 @ 0.7364	04-Mar-2019	4
Bought USD 328 Sold CAD 438 @ 0.7487	19-Mar-2019	9
Bought USD 380 Sold CAD 508 @ 0.7478	19-Mar-2019	10
Bought USD 785 Sold CAD 1 055 @ 0.7438	19-Mar-2019	14
Bought USD 995 Sold CAD 1 344 @ 0.7405	19-Mar-2019	12
		\$ 336

Contracts	Maturity Date	Unrealized Loss
Bought CAD 6 186 Sold USD 4 793 @ 1.2906	04-Jan-2019	\$ (358)
Bought CAD 396 Sold USD 300 @ 1.3192	11-Jan-2019	(14)
Bought CAD 635 Sold USD 497 @ 1.2771	14-Jan-2019	(44)
Bought CAD 1 452 Sold USD 1 136 @ 1.2783	15-Jan-2019	(98)
Bought CAD 1 041 Sold USD 800 @ 1.3016	22-Jan-2019	(50)
Bought CAD 2 764 Sold USD 2 144 @ 1.2891	23-Jan-2019	(161)
Bought CAD 1 648 Sold USD 1 260 @ 1.3078	23-Jan-2019	(71)
Bought CAD 627 Sold USD 480 @ 1.3054	24-Jan-2019	(28)
Bought CAD 565 Sold USD 435 @ 1.2981	25-Jan-2019	(29)
Bought CAD 645 Sold USD 500 @ 1.2895	28-Jan-2019	(37)
Bought CAD 1 098 Sold USD 840 @ 1.3068	28-Jan-2019	(48)
Bought CAD 655 Sold USD 500 @ 1.3110	28-Jan-2019	(27)
Bought CAD 1 223 Sold USD 945 @ 1.2943	30-Jan-2019	(66)
Bought CAD 906 Sold USD 693 @ 1.3076	31-Jan-2019	(39)
Bought CAD 522 Sold USD 400 @ 1.3048	01-Feb-2019	(24)
Bought CAD 1 077 Sold USD 825 @ 1.3055	04-Feb-2019	(48)
Bought CAD 3 728 Sold USD 2 846 @ 1.3098	05-Feb-2019	(154)
Bought CAD 1 166 Sold USD 890 @ 1.3104	07-Feb-2019	(48)
Bought CAD 1 373 Sold USD 1 045 @ 1.3137	08-Feb-2019	(52)
Bought CAD 1 176 Sold USD 900 @ 1.3065	11-Feb-2019	(52)
Bought CAD 1 178 Sold USD 900 @ 1.3089	12-Feb-2019	(49)
Bought CAD 134 Sold USD 100 @ 1.3358	19-Feb-2019	(3)
Bought CAD 9 155 Sold USD 6 955 @ 1.3163	25-Feb-2019	(328)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 796 Sold USD 601 @ 1.3253	26-Feb-2019	\$ (23)
Bought CAD 1 055 Sold USD 800 @ 1.3181	01-Mar-2019	(36)
Bought CAD 10 737 Sold USD 8 088 @ 1.3275	04-Mar-2019	(288)
Bought CAD 200 Sold USD 150 @ 1.3349	05-Mar-2019	(4)
Bought CAD 2 330 Sold USD 1 755 @ 1.3276	11-Mar-2019	(62)
Bought CAD 792 Sold USD 600 @ 1.3204	12-Mar-2019	(26)
Bought CAD 247 Sold USD 185 @ 1.3375	15-Mar-2019	(5)
Bought CAD 285 Sold USD 212 @ 1.3449	15-Mar-2019	(4)
Bought CAD 829 Sold USD 620 @ 1.3378	19-Mar-2019	(15)
Bought CAD 1 048 Sold USD 787 @ 1.3318	20-Mar-2019	(24)
Bought CAD 8 231 Sold USD 6 140 @ 1.3406	21-Mar-2019	(136)
Bought CAD 831 Sold USD 622 @ 1.3362	22-Mar-2019	(16)
Bought CAD 1 191 Sold USD 883 @ 1.3486	25-Mar-2019	(12)
		\$ (2 479)
TOTAL FOREIGN EXCHANGE		\$ (2 143)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.66% to 2.25% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 488 616	\$ 545 333
Cash	206	328
Subscriptions receivable	226	139
Unrealized gain on foreign exchange contracts	336	769
Dividends receivable, interest accrued and other assets	923	873
TOTAL ASSETS	490 307	547 442
LIABILITIES		
Redemptions payable	164	134
Unrealized loss on foreign exchange contracts	2 479	669
Accounts payable and accrued expenses	720	826
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 363	1 629
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 486 944	\$ 545 813
Investments at cost	\$ 407 993	\$ 426 277
NAV		
SERIES A	\$ 393 346	\$ 465 458
ADVISOR SERIES	\$ 2 496	\$ 2 839
SERIES D	\$ 37 708	\$ 38 806
SERIES F	\$ 47 649	\$ 33 629
SERIES O	\$ 5 745	\$ 5 081
NAV PER UNIT		
SERIES A	\$ 32.04	\$ 34.18
ADVISOR SERIES	\$ 33.21	\$ 35.43
SERIES D	\$ 32.63	\$ 34.83
SERIES F	\$ 35.06	\$ 37.42
SERIES O	\$ 37.09	\$ 39.59

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 12 828	\$ 13 173
Interest for distribution purposes	48	65
Income from investment trusts	246	64
Derivative income	(2 048)	1 797
Net realized gain (loss) on investments	9 848	15 375
Change in unrealized gain (loss) on investments	(40 676)	26 710
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(19 754)	57 184
Securities lending revenue		
(see note 7 in the generic notes)	76	266
Net gain (loss) on foreign cash balances	(44)	(3)
TOTAL OTHER INCOME (LOSS)	32	263
TOTAL INCOME (LOSS)	(19 722)	57 447
EXPENSES (see notes – Fund Specific Information)		
Management fees	7 717	8 014
Administration fees	746	769
Independent Review Committee costs	2	3
GST/HST	827	858
Transaction costs	142	127
Withholding tax	621	600
TOTAL EXPENSES	10 055	10 371
INCREASE (DECREASE) IN NAV	\$ (29 777)	\$ 47 076
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (24 650)	\$ 40 513
ADVISOR SERIES	\$ (155)	\$ 249
SERIES D	\$ (2 110)	\$ 3 464
SERIES F	\$ (2 628)	\$ 2 366
SERIES O	\$ (234)	\$ 484
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.92)	\$ 2.91
ADVISOR SERIES	\$ (2.02)	\$ 3.02
SERIES D	\$ (1.86)	\$ 3.29
SERIES F	\$ (2.28)	\$ 3.81
SERIES O	\$ (1.71)	\$ 4.15



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (29 777)	\$ 47 076
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(9 679)	(15 221)
Change in unrealized loss (gain) on investments	40 676	(26 710)
(Increase) decrease in accrued receivables	(50)	64
Increase (decrease) in accrued payables	(106)	5
(Increase) decrease in margin accounts	—	16
Cost of investments purchased	(192 123)	(237 232)
Proceeds from sale and maturity of investments	220 086	264 005
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	29 027	32 003
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	32 709	28 427
Cash paid on redemption of redeemable units	(61 674)	(59 805)
Distributions paid to holders of redeemable units	(184)	(587)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (29 149)	\$ (31 965)
Net increase (decrease) in cash for the period	(122)	38
Cash (bank overdraft), beginning of period	328	290
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 206	\$ 328
Interest received (paid)	\$ 49	\$ 71
Dividends received, net of withholding taxes	\$ 12 161	\$ 12 632

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 465 458	\$ 475 345	\$ 2 839	\$ 2 986	\$ 38 806	\$ 34 589	\$ 33 629	\$ 14 059
INCREASE (DECREASE) IN NAV	(24 650)	40 513	(155)	249	(2 110)	3 464	(2 628)	2 366
Early redemption fees	1	—	—	—	1	—	1	—
Proceeds from redeemable units issued	20 192	18 610	760	479	6 422	6 141	23 081	19 922
Reinvestments of distributions to holders of redeemable units	1 278	17 363	8	105	450	1 758	556	1 269
Redemption of redeemable units	(67 644)	(68 846)	(947)	(873)	(5 402)	(5 352)	(6 275)	(2 335)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(46 173)	(32 873)	(179)	(289)	1 471	2 547	17 363	18 856
Distributions from net income	(491)	(763)	(4)	(5)	(384)	(403)	(620)	(442)
Distributions from net gains	(798)	(16 764)	(5)	(102)	(75)	(1 391)	(95)	(1 210)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 289)	(17 527)	(9)	(107)	(459)	(1 794)	(715)	(1 652)
NET INCREASE (DECREASE) IN NAV	(72 112)	(9 887)	(343)	(147)	(1 098)	4 217	14 020	19 570
NAV AT END OF PERIOD	\$ 393 346	\$ 465 458	\$ 2 496	\$ 2 839	\$ 37 708	\$ 38 806	\$ 47 649	\$ 33 629

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 081	\$ 3 624	\$ 545 813	\$ 530 603
INCREASE (DECREASE) IN NAV	(234)	484	(29 777)	47 076
Early redemption fees	—	—	3	—
Proceeds from redeemable units issued	2 177	1 958	52 632	47 110
Reinvestments of distributions to holders of redeemable units	124	285	2 416	20 780
Redemption of redeemable units	(1 275)	(983)	(81 543)	(78 389)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 026	1 260	(26 492)	(10 499)
Distributions from net income	(117)	(105)	(1 616)	(1 718)
Distributions from net gains	(11)	(182)	(984)	(19 649)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(128)	(287)	(2 600)	(21 367)
NET INCREASE (DECREASE) IN NAV	664	1 457	(58 869)	15 210
NAV AT END OF PERIOD	\$ 5 745	\$ 5 081	\$ 486 944	\$ 545 813

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing in equity securities of Canadian and U.S. companies that offer above average prospects for growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	24.0	26.8
Information Technology	12.1	13.3
Energy	11.7	14.4
Industrials	10.4	9.2
Health Care	8.2	6.1
Communication Services	8.1	3.1
Consumer Discretionary	7.1	7.9
Materials	7.0	7.3
Consumer Staples	5.6	5.6
Real Estate	2.8	2.3
Utilities	2.6	2.5
Cash/Other	0.4	1.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	37.0	38.3
Other currencies	0.2	0.2
Total	37.2	38.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 1.9% (December 31, 2017 – 1.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite Total Return Index	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	483 772	1 086	–	484 858
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	3 758	–	3 758
Derivatives – assets	–	336	–	336
Derivatives – liabilities	–	(2 479)	–	(2 479)
Total financial instruments	483 772	2 701	–	486 473
% of total portfolio	99.4	0.6	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	536 830	1 103	–	537 933
Underlying funds	836	–	–	836
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	6 564	–	6 564
Derivatives – assets	–	769	–	769
Derivatives – liabilities	–	(669)	–	(669)
Total financial instruments	537 666	7 767	–	545 433
% of total portfolio	98.6	1.4	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	278	272
Value of all units	10	11

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares Dow Jones US Real Estate Index Fund	–	–	0.2	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	13 618	14 596
Issued number of units	586	554
Reinvested number of units	40	504
Redeemed number of units	(1 966)	(2 036)
Ending number of units	12 278	13 618

Advisor Series		
Opening units	80	88
Issued number of units	21	14
Reinvested number of units	–	3
Redeemed number of units	(26)	(25)
Ending number of units	75	80

Series D		
Opening units	1 114	1 042
Issued number of units	181	178
Reinvested number of units	14	50
Redeemed number of units	(154)	(156)
Ending number of units	1 155	1 114

Series F		
Opening units	899	394
Issued number of units	612	534
Reinvested number of units	16	34
Redeemed number of units	(168)	(63)
Ending number of units	1 359	899

Series O		
Opening units	128	96
Issued number of units	55	50
Reinvested number of units	3	7
Redeemed number of units	(31)	(25)
Ending number of units	155	128

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	142	100	127	100
Related-party brokerage commissions*	10	7	17	13
Commission arrangements†	11	8	15	12

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	32 468	37 888
Fair value of collateral received	33 118	38 646

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	122	100	464	100
RBC IS (paid)	(30)	(25)	(121)	(26)
Tax withheld	(16)	(13)	(77)	(17)
Fund revenue	76	62	266	57

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	336	(2 479)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	336	(2 479)
Related amounts not set-off	(272)	272
Collateral (received) pledged	–	135
Net amount	64	(2 072)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	769	(669)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	769	(669)
Related amounts not set-off	(426)	426
Collateral (received) pledged	–	–
Net amount	343	(243)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. DIVIDEND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
1 012 900	AT&T Inc.	\$ 42 283	\$ 39 465	
993 900	Comcast Corp., Class A	44 021	46 203	
364 900	The Walt Disney Company	53 216	54 631	
		139 520	140 299	3.5
Consumer Discretionary				
182 200	Dollar General Corp.	18 676	26 890	
269 600	Home Depot Inc.	50 845	63 271	
212 700	Lowe's Companies	27 025	26 819	
247 000	McDonald's Corp.	37 714	59 877	
134 200	Ross Stores Inc.	15 100	15 243	
170 200	Starbucks Corp.	15 177	14 971	
292 300	Target Corporation	29 996	26 373	
449 300	TJX Companies Inc.	25 788	27 443	
		220 321	260 887	6.5
Consumer Staples				
861 300	Altria Group Inc.	63 084	58 075	
599 000	Mondelez International Inc.	32 375	32 735	
344 900	PepsiCo Inc.	47 559	52 020	
833 300	Philip Morris International Inc.	93 447	75 948	
799 000	The Coca-Cola Co.	49 256	51 649	
430 900	The Procter & Gamble Co.	49 148	54 091	
117 900	Walgreens Boots Alliance Inc.	11 212	11 004	
280 200	Walmart Inc.	32 650	35 633	
		378 731	371 155	9.2
Energy				
337 300	Chevron Corp.	43 498	50 107	
478 800	ConocoPhillips	34 111	40 756	
415 000	Exxon Mobil Corp.	44 473	38 648	
247 700	Marathon Petroleum Corp.	21 845	19 955	
172 600	Phillips 66 Company	25 205	20 300	
		169 132	169 766	4.2
Financials				
3 119 900	Bank of America Corp.	86 135	105 055	
197 600	CME Group Inc., Class A	41 411	50 748	
767 200	JPMorgan Chase & Co.	63 045	102 361	
586 200	MetLife Inc.	33 265	32 860	
244 600	PNC Bank Corp.	41 763	39 031	
225 200	Prudential Financial Inc.	29 327	25 072	
254 000	The Progressive Corp.	21 404	20 920	
325 500	Wells Fargo & Company	22 692	20 483	
		339 042	396 530	9.9
Health Care				
348 000	Abbott Laboratories	26 183	34 363	
339 400	AbbVie Inc.	39 153	42 716	
91 400	Amgen Inc.	20 310	24 305	
207 900	Anthem Inc.	64 438	74 541	
315 700	Baxter International Inc.	29 021	28 374	
66 700	Becton Dickinson & Co.	21 651	20 514	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
608 300	Bristol-Myers Squibb Co.	\$ 41 034	\$ 43 154	
746 628	CVS Health Corp.	71 914	66 784	
130 600	Eli Lilly & Co.	14 630	20 632	
458 200	Johnson & Johnson	67 418	80 735	
381 200	Medtronic Plc.	39 097	47 345	
689 400	Merck & Co. Inc.	51 505	71 971	
1 042 544	Pfizer Inc.	50 516	62 126	
275 000	UnitedHealth Group Incorporated	41 182	93 548	
		578 052	711 108	17.7
Industrials				
190 200	Boeing Co.	58 565	83 741	
81 100	Caterpillar Inc.	13 738	14 066	
234 300	CSX Corp.	21 150	19 873	
354 000	Delta Air Lines Inc.	27 494	24 116	
278 700	Eaton Corp Plc.	27 692	26 124	
220 800	Honeywell International Inc.	36 445	39 826	
247 600	Ingersoll-Rand Plc., Class A	33 416	30 828	
70 500	Lockheed Martin Corporation	28 008	25 201	
122 100	Raytheon Company	28 197	25 562	
336 000	Union Pacific Corp.	57 244	63 407	
108 900	United Technologies Corp.	18 774	15 827	
		350 723	368 571	9.2
Information Technology				
647 300	Apple Inc.	118 692	139 566	
136 100	Applied Materials Inc.	6 440	6 088	
340 600	Broadcom Inc.	91 080	118 237	
2 332 100	Cisco Systems Inc.	98 460	138 192	
1 351 300	HP Inc.	42 021	37 745	
1 397 400	Intel Corp.	82 106	89 597	
195 000	International Business Machines	31 979	30 247	
22 300	Lam Research Corp.	4 357	4 146	
164 900	Mastercard Inc.	43 963	42 469	
1 572 800	Microsoft Corp.	106 825	218 294	
837 300	Texas Instruments Inc.	89 643	108 021	
302 200	Visa Inc., Class A	56 580	54 452	
		772 146	987 054	24.5
Materials				
143 000	Air Products & Chemicals Inc.	30 393	31 252	
169 800	LyondellBasell Industries N.V.	21 018	19 281	
		51 411	50 533	1.3
Real Estate				
301 400	Crown Castle International Corp. Real Estate Investment Trust	40 569	44 704	
129 800	Extra Space Storage Inc. Real Estate Investment Trust	16 005	16 033	
176 700	Simon Property Group Inc.	41 014	40 528	
		97 588	101 265	2.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
249 600	Ameren Corporation	\$ 21 414	\$ 22 222	
235 000	American Electric Power	21 520	23 978	
216 800	Dominion Energy Inc.	20 994	21 159	
151 900	Duke Energy Corp.	14 806	17 896	
265 400	Eversource Energy	21 084	23 566	
352 300	Exelon Corp.	18 073	21 691	
237 700	FirstEnergy Corporation	12 546	12 180	
183 300	NextEra Energy Inc.	27 393	43 502	
126 200	WEC Energy Group Inc.	12 626	11 930	
		170 456	198 124	4.9
TOTAL UNITED STATES EQUITIES		3 267 122	3 755 292	93.4
UNDERLYING FUNDS				
1 264 400	iShares Dow Jones US Real Estate Index Fund	127 111	129 358	
TOTAL UNDERLYING FUNDS		127 111	129 358	3.2
SHORT-TERM INVESTMENTS*		131 159	132 880	3.3
TOTAL INVESTMENTS		\$3 525 392	4 017 530	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			3 943	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$4 021 473	100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.90% and mature between January 2, 2019 and February 1, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 4 017 530	\$ 4 008 888
Cash	431	320
Subscriptions receivable	1 524	1 486
Dividends receivable, interest accrued and other assets	5 255	3 387
TOTAL ASSETS	4 024 740	4 014 081
LIABILITIES		
Redemptions payable	1 173	1 435
Distributions payable	79	61
Accounts payable and accrued expenses	2 015	2 111
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 267	3 607
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 4 021 473	\$ 4 010 474
Investments at cost	\$ 3 525 392	\$ 3 324 505
NAV		
SERIES A	\$ 742 057	\$ 810 315
ADVISOR SERIES	\$ 241 057	\$ 266 663
ADVISOR T5 SERIES	\$ 2 032	\$ 2 043
SERIES T5	\$ 4 305	\$ 3 971
SERIES T8	\$ 6 663	\$ 6 398
SERIES D	\$ 74 493	\$ 71 684
SERIES F	\$ 389 015	\$ 311 542
SERIES FT5	\$ 5 753	\$ 2 685
SERIES O	\$ 2 556 098	\$ 2 535 173
NAV PER UNIT		
SERIES A	\$ 26.47	\$ 27.44
ADVISOR SERIES	\$ 26.50	\$ 27.47
ADVISOR T5 SERIES	\$ 24.00	\$ 25.13
SERIES T5	\$ 24.36	\$ 25.51
SERIES T8	\$ 10.88	\$ 11.75
SERIES D	\$ 27.17	\$ 28.18
SERIES F	\$ 29.07	\$ 30.13
SERIES FT5	\$ 27.27	\$ 28.30
SERIES O	\$ 28.47	\$ 29.53

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 101 582	\$ 91 876
Interest for distribution purposes	2 990	942
Income from investment trusts	6 177	4 739
Derivative income	(165)	(24)
Net realized gain (loss) on investments	198 588	144 089
Change in unrealized gain (loss) on investments	(192 245)	263 802
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	116 927	505 424
Securities lending revenue (see note 7 in the generic notes)	302	246
Net gain (loss) on foreign cash balances	2 860	(4 600)
TOTAL OTHER INCOME (LOSS)	3 162	(4 354)
TOTAL INCOME (LOSS)	120 089	501 070
EXPENSES (see notes – Fund Specific Information)		
Management fees	20 190	19 153
Administration fees	2 472	2 248
Independent Review Committee costs	2	3
GST/HST	2 270	2 130
Transaction costs	4 935	3 367
Withholding tax	14 137	12 650
TOTAL EXPENSES	44 006	39 551
INCREASE (DECREASE) IN NAV	\$ 76 083	\$ 461 519
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 4 574	\$ 84 510
ADVISOR SERIES	\$ 1 658	\$ 29 101
ADVISOR T5 SERIES	\$ 11	\$ 195
SERIES T5	\$ (3)	\$ 415
SERIES T8	\$ 36	\$ 691
SERIES D	\$ 881	\$ 7 186
SERIES F	\$ 3 157	\$ 31 246
SERIES FT5	\$ (137)	\$ 219
SERIES O	\$ 65 906	\$ 307 956
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.16	\$ 2.86
ADVISOR SERIES	\$ 0.18	\$ 2.86
ADVISOR T5 SERIES	\$ 0.12	\$ 2.61
SERIES T5	\$ (0.02)	\$ 2.70
SERIES T8	\$ 0.06	\$ 1.17
SERIES D	\$ 0.33	\$ 3.14
SERIES F	\$ 0.26	\$ 3.54
SERIES FT5	\$ (0.75)	\$ 3.28
SERIES O	\$ 0.75	\$ 3.76

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 76 083	\$ 461 519
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(193 633)	(140 986)
Change in unrealized loss (gain) on investments	192 245	(263 802)
(Increase) decrease in accrued receivables	(1 868)	1 767
Increase (decrease) in accrued payables	(96)	269
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(9 120 716)	(6 272 150)
Proceeds from sale and maturity of investments	9 113 462	5 708 193
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	65 477	(505 190)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	444 190	863 117
Cash paid on redemption of redeemable units	(493 763)	(346 891)
Distributions paid to holders of redeemable units	(15 793)	(11 078)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (65 366)	\$ 505 148
Net increase (decrease) in cash for the period	111	(42)
Cash (bank overdraft), beginning of period	320	362
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 431	\$ 320
Interest received (paid)	\$ 2 870	\$ 900
Dividends received, net of withholding taxes	\$ 87 161	\$ 81 036

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 810 315	\$ 731 326	\$ 266 663	\$ 271 832	\$ 2 043	\$ 1 310	\$ 3 971	\$ 3 679
INCREASE (DECREASE) IN NAV	4 574	84 510	1 658	29 101	11	195	(3)	415
Early redemption fees	1	1	—	—	—	—	—	—
Proceeds from redeemable units issued	142 611	174 242	26 353	29 653	525	817	1 093	955
Reinvestments of distributions to holders of redeemable units	27 763	20 449	8 687	6 484	20	15	52	43
Redemption of redeemable units	(214 322)	(178 992)	(52 800)	(63 303)	(459)	(204)	(590)	(937)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(43 947)	15 700	(17 760)	(27 166)	86	628	555	61
Distributions from net income	(2 168)	(2 585)	(821)	(964)	(7)	(8)	(13)	(16)
Distributions from net gains	(26 717)	(18 636)	(8 683)	(6 140)	(72)	(44)	(155)	(88)
Distributions from capital	—	—	—	—	(29)	(38)	(50)	(80)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(28 885)	(21 221)	(9 504)	(7 104)	(108)	(90)	(218)	(184)
NET INCREASE (DECREASE) IN NAV	(68 258)	78 989	(25 606)	(5 169)	(11)	733	334	292
NAV AT END OF PERIOD	\$ 742 057	\$ 810 315	\$ 241 057	\$ 266 663	\$ 2 032	\$ 2 043	\$ 4 305	\$ 3 971

For the periods ended December 31 (see note 2 in the generic notes)	Series T8		Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 398	\$ 7 234	\$ 71 684	\$ 52 156	\$ 311 542	\$ 200 387	\$ 2 685	\$ 1 204
INCREASE (DECREASE) IN NAV	36	691	881	7 186	3 157	31 246	(137)	219
Early redemption fees	—	—	1	—	—	—	—	—
Proceeds from redeemable units issued	2 869	1 380	29 080	35 121	148 991	130 269	9 187	2 090
Reinvestments of distributions to holders of redeemable units	119	94	3 447	2 308	13 703	7 552	78	12
Redemption of redeemable units	(2 198)	(2 468)	(27 021)	(22 695)	(68 935)	(46 977)	(5 781)	(748)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	790	(994)	5 507	14 734	93 759	90 844	3 484	1 354
Distributions from net income	(561)	(31)	(898)	(789)	(5 332)	(3 971)	(74)	(28)
Distributions from net gains	—	(142)	(2 681)	(1 603)	(14 111)	(6 964)	(205)	(52)
Distributions from capital	—	(360)	—	—	—	—	—	(12)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(561)	(533)	(3 579)	(2 392)	(19 443)	(10 935)	(279)	(92)
NET INCREASE (DECREASE) IN NAV	265	(836)	2 809	19 528	77 473	111 155	3 068	1 481
NAV AT END OF PERIOD	\$ 6 663	\$ 6 398	\$ 74 493	\$ 71 684	\$ 389 015	\$ 311 542	\$ 5 753	\$ 2 685

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 535 173	\$ 1 774 593	\$ 4 010 474	\$ 3 043 721
INCREASE (DECREASE) IN NAV	65 906	307 956	76 083	461 519
Early redemption fees	—	—	2	1
Proceeds from redeemable units issued	174 509	576 915	535 218	951 442
Reinvestments of distributions to holders of redeemable units	143 183	104 924	197 052	141 881
Redemption of redeemable units	(212 387)	(118 807)	(584 493)	(435 131)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	105 305	563 032	147 779	658 193
Distributions from net income	(58 468)	(53 980)	(68 342)	(62 372)
Distributions from net gains	(91 818)	(56 428)	(144 442)	(90 097)
Distributions from capital	—	—	(79)	(490)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(150 286)	(110 408)	(212 863)	(152 959)
NET INCREASE (DECREASE) IN NAV	20 925	760 580	10 999	966 753
NAV AT END OF PERIOD	\$ 2 556 098	\$ 2 535 173	\$ 4 021 473	\$ 4 010 474

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide targeted exposure to opportunities in U.S. equity markets by investing primarily in common and preferred shares of major U.S. companies with above-average dividend yields.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	24.5	19.8
Health Care	17.7	15.4
Financials	9.9	20.9
Consumer Staples	9.2	8.4
Industrials	9.2	11.1
Consumer Discretionary	6.5	8.5
Utilities	4.9	2.1
Energy	4.2	6.8
Communication Services	3.5	2.4
Real Estate	2.5	—
Materials	1.3	1.8
Cash/Other	6.6	2.8
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 0.9	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	3 755 292	—	—	3 755 292
Underlying funds	129 358	—	—	129 358
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	132 880	—	132 880
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	3 884 650	132 880	—	4 017 530
% of total portfolio	96.7	3.3	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	3 640 566	—	—	3 640 566
Underlying funds	259 438	—	—	259 438
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	108 884	—	108 884
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	3 900 004	108 884	—	4 008 888
% of total portfolio	97.3	2.7	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Advisor T5 Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series T8	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	72	69
Advisor T5 Series	66	63
Series F	70	66
Series FT5	61	58
Value of all units	7	7

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector				
SPDR Fund	–	–	2.0	0.2
iShares Dow Jones US Real Estate Index Fund	3.2	2.8	2.5	2.0
iShares Russell 2000 Fund	–	–	1.0	0.1
SPDR KBW Regional Banking Fund	–	–	1.0	0.7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	29 528	28 936
Issued number of units	5 057	6 604
Reinvested number of units	1 058	734
Redeemed number of units	(7 605)	(6 746)
Ending number of units	28 038	29 528
Advisor Series		
Opening units	9 706	10 745
Issued number of units	933	1 118
Reinvested number of units	331	233
Redeemed number of units	(1 872)	(2 390)
Ending number of units	9 098	9 706
Advisor T5 Series		
Opening units	81	55
Issued number of units	21	33
Reinvested number of units	1	1
Redeemed number of units	(18)	(8)
Ending number of units	85	81
Series T5		
Opening units	156	153
Issued number of units	42	39
Reinvested number of units	2	2
Redeemed number of units	(23)	(38)
Ending number of units	177	156
Series T8		
Opening units	545	635
Issued number of units	245	118
Reinvested number of units	10	8
Redeemed number of units	(188)	(216)
Ending number of units	612	545
Series D		
Opening units	2 544	2 011
Issued number of units	1 006	1 286
Reinvested number of units	127	81
Redeemed number of units	(935)	(834)
Ending number of units	2 742	2 544
Series F		
Opening units	10 340	7 225
Issued number of units	4 803	4 474
Reinvested number of units	470	250
Redeemed number of units	(2 229)	(1 609)
Ending number of units	13 384	10 340

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	95	46
Issued number of units	318	76
Reinvested number of units	3	—
Redeemed number of units	(205)	(27)
Ending number of units	211	95
Series O		
Opening units	85 852	65 261
Issued number of units	5 842	21 196
Reinvested number of units	4 983	3 560
Redeemed number of units	(6 885)	(4 165)
Ending number of units	89 792	85 852

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	4 935	100	3 367	100
Related-party brokerage commissions*	521	11	214	6
Commission arrangements†	491	10	621	18

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	271 095		272 853	
Fair value of collateral received	276 517		278 310	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	431	100	396	100
RBC IS (paid)	(106)	(25)	(111)	(28)
Tax withheld	(23)	(5)	(39)	(10)
Fund revenue	302	70	246	62

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	0.8	0.9
RBC Conservative Growth & Income Fund	0.3	0.3
RBC Monthly Income Fund	15.1	14.8
RBC Select Aggressive Growth Portfolio	1.9	1.9
RBC Select Balanced Portfolio	15.8	15.0
RBC Select Conservative Portfolio	14.6	15.3
RBC Select Growth Portfolio	6.9	6.9
RBC U.S. Dividend Class	3.0	3.2
Total	58.4	58.3



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. DIVIDEND CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
13 100	AT&T Inc.	\$ 544	\$ 510	
10 500	Comcast Corp., Class A	497	488	
3 600	The Walt Disney Company	528	539	
		1 569	1 537	3.8
Consumer Discretionary				
2 000	Dollar General Corp.	229	295	
2 800	Home Depot Inc.	615	657	
2 400	Lowe's Companies	303	303	
2 600	McDonald's Corp.	538	630	
1 600	Ross Stores Inc.	183	182	
1 700	Starbucks Corp.	152	150	
3 600	Target Corporation	357	325	
5 300	TJX Companies Inc.	308	324	
		2 685	2 866	7.1
Consumer Staples				
9 100	Altria Group Inc.	733	614	
6 500	Mondelez International Inc.	357	355	
3 900	PepsiCo Inc.	577	588	
8 700	Philip Morris International Inc.	1 092	793	
8 400	The Coca-Cola Co.	520	543	
4 400	The Procter & Gamble Co.	507	552	
1 200	Walgreens Boots Alliance Inc.	118	112	
2 900	Walmart Inc.	345	369	
		4 249	3 926	9.8
Energy				
3 400	Chevron Corp.	503	505	
4 900	ConocoPhillips	371	417	
4 200	Exxon Mobil Corp.	450	391	
2 500	Marathon Petroleum Corp.	223	201	
1 700	Phillips 66 Company	246	200	
		1 793	1 714	4.3
Financials				
33 550	Bank of America Corp.	1 148	1 130	
1 900	CME Group Inc., Class A	408	488	
8 100	JPMorgan Chase & Co.	1 005	1 081	
6 200	MetLife Inc.	351	348	
2 700	PNC Bank Corp.	478	431	
2 600	Prudential Financial Inc.	335	289	
2 600	The Progressive Corp.	231	214	
3 300	Wells Fargo & Company	230	208	
		4 186	4 189	10.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
3 500	Abbott Laboratories	\$ 277	\$ 346	
3 600	AbbVie Inc.	416	453	
900	Amgen Inc.	208	239	
2 000	Anthem Inc.	614	717	
3 300	Baxter International Inc.	301	297	
700	Becton Dickinson & Co.	228	215	
6 200	Bristol-Myers Squibb Co.	421	440	
8 254	CVS Health Corp.	768	738	
1 200	Eli Lilly & Co.	135	190	
4 800	Johnson & Johnson	802	846	
3 800	Medtronic Plc.	411	472	
7 300	Merck & Co. Inc.	573	762	
11 700	Pfizer Inc.	595	697	
2 800	UnitedHealth Group Incorporated	720	952	
		6 469	7 364	18.4
Industrials				
2 000	Boeing Co.	770	881	
1 000	Caterpillar Inc.	165	173	
2 400	CSX Corp.	218	204	
3 700	Delta Air Lines Inc.	288	252	
3 000	Eaton Corp Plc.	294	281	
2 300	Honeywell International Inc.	427	415	
2 500	Ingersoll-Rand Plc., Class A	334	311	
800	Lockheed Martin Corporation	318	286	
1 300	Raytheon Company	311	272	
3 100	Union Pacific Corp.	541	585	
1 100	United Technologies Corp.	190	160	
		3 856	3 820	9.5
Information Technology				
6 800	Apple Inc.	1 458	1 466	
1 300	Applied Materials Inc.	62	58	
3 500	Broadcom Inc.	1 049	1 215	
22 200	Cisco Systems Inc.	1 061	1 315	
13 900	HP Inc.	435	388	
14 100	Intel Corp.	846	904	
2 000	International Business Machines	327	310	
200	Lam Research Corp.	39	37	
1 700	Mastercard Inc.	454	438	
16 600	Microsoft Corp.	1 737	2 304	
8 900	Texas Instruments Inc.	1 083	1 148	
3 200	Visa Inc., Class A	599	577	
		9 150	10 160	25.3
Materials				
1 500	Air Products & Chemicals Inc.	317	328	
2 100	LyondellBasell Industries N.V.	256	238	
		573	566	1.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
3 200	Crown Castle International Corp. Real Estate Investment Trust	\$ 442	\$ 475	
1 400	Extra Space Storage Inc. Real Estate Investment Trust	174	173	
1 900	Simon Property Group Inc.	438	436	
		1 054	1 084	2.7
Utilities				
2 500	Ameren Corporation	215	223	
2 500	American Electric Power	232	254	
2 300	Dominion Energy Inc.	224	224	
1 600	Duke Energy Corp.	162	189	
2 800	Eversource Energy	227	249	
3 900	Exelon Corp.	206	240	
2 400	FirstEnergy Corporation	127	123	
2 000	NextEra Energy Inc.	397	475	
1 300	WEC Energy Group Inc.	130	123	
		1 920	2 100	5.2
TOTAL UNITED STATES EQUITIES		37 504	39 326	97.9
UNDERLYING FUNDS				
13 800	iShares Dow Jones US Real Estate Index Fund	1 411	1 412	
2 400	SPDR S&P 500 ETF Trust	867	819	
TOTAL UNDERLYING FUNDS		2 278	2 231	5.6
SHORT-TERM INVESTMENTS*		340	340	0.9
TOTAL INVESTMENTS		40 122	41 897	104.4
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	98	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(1 859)	(4.6)
TOTAL PORTFOLIO		\$ 40 122	40 136	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			15	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 40 151		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 113 Sold CAD 150 @ 0.7559	07-Jan-2019	\$ 5
Bought USD 433 Sold CAD 561 @ 0.7714	16-Jan-2019	29
Bought CAD 245 Sold USD 180 @ 1.3628	23-Jan-2019	—
Bought USD 235 Sold CAD 315 @ 0.7463	23-Jan-2019	6
Bought USD 939 Sold CAD 1 275 @ 0.7361	12-Feb-2019	5
Bought USD 514 Sold CAD 700 @ 0.7344	12-Feb-2019	1
Bought USD 300 Sold CAD 399 @ 0.7525	13-Feb-2019	10
Bought USD 260 Sold CAD 345 @ 0.7528	13-Feb-2019	9
Bought USD 510 Sold CAD 690 @ 0.7395	13-Feb-2019	6
Bought USD 448 Sold CAD 600 @ 0.7470	07-Mar-2019	11
Bought USD 818 Sold CAD 1 100 @ 0.7435	07-Mar-2019	15
Bought USD 30 Sold CAD 40 @ 0.7478	19-Mar-2019	1
		\$ 98

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 7 909 Sold USD 6 122 @ 1.2918	07-Jan-2019	\$ (448)
Bought CAD 150 Sold USD 113 @ 1.3309	07-Jan-2019	(4)
Bought CAD 400 Sold USD 301 @ 1.3282	07-Jan-2019	(11)
Bought CAD 400 Sold USD 307 @ 1.3035	10-Jan-2019	(19)
Bought CAD 1 396 Sold USD 1 093 @ 1.2771	14-Jan-2019	(96)
Bought CAD 23 Sold USD 17 @ 1.3178	14-Jan-2019	(1)
Bought CAD 435 Sold USD 333 @ 1.3049	16-Jan-2019	(20)
Bought CAD 715 Sold USD 554 @ 1.2891	23-Jan-2019	(42)
Bought CAD 900 Sold USD 687 @ 1.3094	23-Jan-2019	(38)
Bought CAD 2 813 Sold USD 2 137 @ 1.3168	23-Jan-2019	(102)
Bought CAD 700 Sold USD 532 @ 1.3154	23-Jan-2019	(26)
Bought CAD 227 Sold USD 171 @ 1.3261	23-Jan-2019	(7)
Bought CAD 38 Sold USD 29 @ 1.2978	24-Jan-2019	(2)
Bought CAD 1 880 Sold USD 1 448 @ 1.2981	25-Jan-2019	(96)
Bought CAD 1 236 Sold USD 944 @ 1.3098	05-Feb-2019	(51)
Bought CAD 4 842 Sold USD 3 706 @ 1.3065	11-Feb-2019	(212)
Bought CAD 690 Sold USD 528 @ 1.3076	11-Feb-2019	(30)
Bought CAD 285 Sold USD 217 @ 1.3155	11-Feb-2019	(10)
Bought CAD 163 Sold USD 124 @ 1.3137	11-Feb-2019	(6)
Bought CAD 106 Sold USD 80 @ 1.3240	11-Feb-2019	(3)
Bought CAD 300 Sold USD 227 @ 1.3242	11-Feb-2019	(9)
Bought CAD 222 Sold USD 163 @ 1.3603	11-Feb-2019	(1)
Bought CAD 9 390 Sold USD 7 174 @ 1.3089	12-Feb-2019	(393)
Bought CAD 240 Sold USD 179 @ 1.3424	12-Feb-2019	(4)
Bought CAD 1 262 Sold USD 964 @ 1.3088	13-Feb-2019	(53)
Bought CAD 295 Sold USD 222 @ 1.3275	04-Mar-2019	(8)
Bought CAD 1 188 Sold USD 898 @ 1.3236	13-Mar-2019	(35)
Bought CAD 6 814 Sold USD 5 094 @ 1.3378	19-Mar-2019	(127)
Bought CAD 258 Sold USD 193 @ 1.3357	19-Mar-2019	(5)
		\$ (1 859)
TOTAL FOREIGN EXCHANGE		\$ (1 761)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 41 897	\$ 25 609
Cash	8	1
Subscriptions receivable	41	85
Unrealized gain on foreign exchange contracts	98	385
Dividends receivable, interest accrued and other assets	56	21
TOTAL ASSETS	42 100	26 101
LIABILITIES		
Redemptions payable	55	7
Unrealized loss on foreign exchange contracts	1 859	3
Accounts payable and accrued expenses	35	26
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 949	36
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 40 151	\$ 26 065
Investments at cost	\$ 40 122	\$ 23 626
NAV		
SERIES A	\$ 16 097	\$ 12 256
ADVISOR SERIES	\$ 709	\$ 329
ADVISOR T5 SERIES	\$ 32	\$ 36
SERIES T5	\$ 131	\$ 153
SERIES D	\$ 1 608	\$ 1 404
SERIES F	\$ 9 762	\$ 4 010
SERIES FT5	\$ 1	\$ 1
SERIES O	\$ 11 811	\$ 7 876
NAV PER UNIT		
SERIES A	\$ 11.53	\$ 12.60
ADVISOR SERIES	\$ 11.54	\$ 12.61
ADVISOR T5 SERIES	\$ 10.29	\$ 11.83
SERIES T5	\$ 10.32	\$ 11.85
SERIES D	\$ 11.53	\$ 12.60
SERIES F	\$ 11.55	\$ 12.61
SERIES FT5	\$ 10.65	\$ 12.07
SERIES O	\$ 11.56	\$ 12.63

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 886	\$ 331
Interest for distribution purposes	30	7
Income from investment trusts	61	—
Derivative income	(1 472)	231
Net realized gain (loss) on investments	(168)	3
Change in unrealized gain (loss) on investments	(2 351)	2 091
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 014)	2 663
Securities lending revenue		
(see note 7 in the generic notes)	2	1
Net gain (loss) on foreign cash balances	185	(13)
TOTAL OTHER INCOME (LOSS)	187	(12)
TOTAL INCOME (LOSS)	(2 827)	2 651
EXPENSES (see notes – Fund Specific Information)		
Management fees	353	124
Administration fees	28	15
Independent Review Committee costs	2	3
GST/HST	39	16
Transaction costs	44	14
Withholding tax	122	42
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	587	211
INCREASE (DECREASE) IN NAV	\$ (3 414)	\$ 2 440
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 495)	\$ 1 039
ADVISOR SERIES	\$ (86)	\$ 44
ADVISOR T5 SERIES	\$ (2)	\$ 5
SERIES T5	\$ (13)	\$ 11
SERIES D	\$ (145)	\$ 140
SERIES F	\$ (918)	\$ 412
SERIES FT5	\$ —	\$ (3)
SERIES O	\$ (755)	\$ 792
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.12)	\$ 2.06
ADVISOR SERIES	\$ (1.16)	\$ 1.90
ADVISOR T5 SERIES	\$ (0.94)	\$ 1.83
SERIES T5	\$ (0.89)	\$ 2.20
SERIES D	\$ (0.98)	\$ 2.13
SERIES F	\$ (1.39)	\$ 2.16
SERIES FT5	\$ (0.83)	\$ (2.61)
SERIES O	\$ (1.08)	\$ 2.40



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 414)	\$ 2 440
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	207	6
Change in unrealized loss (gain) on investments	2 351	(2 091)
(Increase) decrease in accrued receivables	(35)	(15)
Increase (decrease) in accrued payables	9	26
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(453 086)	(195 058)
Proceeds from sale and maturity of investments	436 383	175 512
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(17 585)	(19 180)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	31 592	22 929
Cash paid on redemption of redeemable units	(13 776)	(3 598)
Distributions paid to holders of redeemable units	(224)	(151)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 17 592	\$ 19 180
Net increase (decrease) in cash for the period	7	—
Cash (bank overdraft), beginning of period	1	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 8	\$ 1
Interest received (paid)	\$ 30	\$ 7
Dividends received, net of withholding taxes	\$ 742	\$ 275

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Advisor T5 Series		Series T5	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 12 256	\$ 913	\$ 329	\$ 154	\$ 36	\$ 32	\$ 153	\$ 1
INCREASE (DECREASE) IN NAV	(1 495)	1 039	(86)	44	(2)	5	(13)	11
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	11 539	12 050	1 243	181	—	—	24	252
Reinvestments of distributions to holders of redeemable units	33	142	2	4	—	—	5	2
Redemption of redeemable units	(6 201)	(1 735)	(777)	(50)	—	—	(30)	(110)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	5 371	10 457	468	135	—	—	(1)	144
Distributions from net income	(35)	(2)	(2)	—	—	—	—	—
Distributions from net gains	—	(151)	—	(4)	—	—	—	(2)
Distributions from capital	—	—	—	—	(2)	(1)	(8)	(1)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(35)	(153)	(2)	(4)	(2)	(1)	(8)	(3)
NET INCREASE (DECREASE) IN NAV	3 841	11 343	380	175	(4)	4	(22)	152
NAV AT END OF PERIOD	\$ 16 097	\$ 12 256	\$ 709	\$ 329	\$ 32	\$ 36	\$ 131	\$ 153

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 404	\$ 180	\$ 4 010	\$ 794	\$ 1	\$ 1
INCREASE (DECREASE) IN NAV	(145)	140	(918)	412	—	(3)
Early redemption fees	—	1	—	—	—	—
Proceeds from redeemable units issued	2 292	1 948	10 472	3 799	—	128
Reinvestments of distributions to holders of redeemable units	18	27	75	42	—	—
Redemption of redeemable units	(1 942)	(865)	(3 760)	(960)	—	(125)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	368	1 111	6 787	2 881	—	3
Distributions from net income	(19)	(10)	(117)	(30)	—	—
Distributions from net gains	—	(17)	—	(47)	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(19)	(27)	(117)	(77)	—	—
NET INCREASE (DECREASE) IN NAV	204	1 224	5 752	3 216	—	—
NAV AT END OF PERIOD	\$ 1 608	\$ 1 404	\$ 9 762	\$ 4 010	\$ 1	\$ 1

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 876	\$ 2 309	\$ 26 065	\$ 4 384
INCREASE (DECREASE) IN NAV	(755)	792	(3 414)	2 440
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	7 988	4 986	33 558	23 344
Reinvestments of distributions to holders of redeemable units	27	79	160	296
Redemption of redeemable units	(3 124)	(111)	(15 834)	(3 956)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	4 891	4 954	17 884	19 685
Distributions from net income	(201)	(79)	(374)	(121)
Distributions from net gains	—	(100)	—	(321)
Distributions from capital	—	—	(10)	(2)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(201)	(179)	(384)	(444)
NET INCREASE (DECREASE) IN NAV	3 935	5 567	14 086	21 681
NAV AT END OF PERIOD	\$ 11 811	\$ 7 876	\$ 40 151	\$ 26 065



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	25.3	19.7
Health Care	18.4	14.7
Financials	10.4	20.1
Consumer Staples	9.8	8.3
Industrials	9.5	10.9
Consumer Discretionary	7.1	8.2
Utilities	5.2	2.1
Energy	4.3	6.4
Communication Services	3.8	2.3
Real Estate	2.7	—
Materials	1.4	1.7
Cash/Other	2.1	5.6
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 32-month (December 31, 2017 – 20-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (hedged to CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	39 326	—	—	39 326
Underlying funds	2 231	—	—	2 231
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	340	—	340
Derivatives – assets	—	98	—	98
Derivatives – liabilities	—	(1 859)	—	(1 859)
Total financial instruments	41 557	(1 421)	—	40 136
% of total portfolio	103.5	(3.5)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	23 025	—	—	23 025
Underlying funds	1 600	—	—	1 600
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	984	—	984
Derivatives – assets	—	385	—	385
Derivatives – liabilities	—	(3)	—	(3)
Total financial instruments	24 625	1 366	—	25 991
% of total portfolio	94.7	5.3	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Advisor T5 Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	102	102
Advisor Series	102	102
Advisor T5 Series	114	108
Series T5	114	108
Series D	104	103
Series F	105	103
Series FT5	114	108
Series O	–	208 260
Value of all units	8	2 638

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector				
SPDR Fund	–	–	1.9	–
iShares Dow Jones US Real Estate Index Fund	3.5	–	2.5	–
iShares Russell 2000 Fund	–	–	0.9	–
SPDR KBW Regional Banking Fund	–	–	0.9	–
SPDR S&P 500 ETF Trust	2.1	–	–	–

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	1 247
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	973	84
Issued number of units	915	1 026
Reinvested number of units	3	11
Redeemed number of units	(495)	(148)
Ending number of units	1 396	973
Advisor Series		
Opening units	26	14
Issued number of units	96	16
Reinvested number of units	–	–
Redeemed number of units	(61)	(4)
Ending number of units	61	26
Advisor T5 Series		
Opening units	3	3
Issued number of units	–	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	3	3
Series T5		
Opening units	13	–
Issued number of units	3	23
Reinvested number of units	–	–
Redeemed number of units	(3)	(10)
Ending number of units	13	13
Series D		
Opening units	112	17
Issued number of units	180	165
Reinvested number of units	1	2
Redeemed number of units	(154)	(72)
Ending number of units	139	112
Series F		
Opening units	318	73
Issued number of units	832	323
Reinvested number of units	6	3
Redeemed number of units	(311)	(81)
Ending number of units	845	318
Series FT5		
Opening units	–	–
Issued number of units	–	11
Reinvested number of units	–	–
Redeemed number of units	–	(11)
Ending number of units	–	–
Series O		
Opening units	624	213
Issued number of units	646	414
Reinvested number of units	2	6
Redeemed number of units	(250)	(9)
Ending number of units	1 022	624

Please see the generic notes at the back of the financial statements.



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	44	100	14	100
Related-party brokerage commissions*	5	11	—	—
Commission arrangements†	5	11	3	21

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	2 862		1 036	
Fair value of collateral received	2 919		1 057	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	1	100
RBC IS (paid)	(1)	(25)	—	(26)
Tax withheld	—	(3)	—	(10)
Fund revenue	2	72	1	64

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	98	(1 859)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	98	(1 859)
Related amounts not set-off	(98)	98
Collateral (received) pledged	—	—
Net amount	—	(1 761)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	385	(3)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	385	(3)
Related amounts not set-off	(3)	3
Collateral (received) pledged	—	—
Net amount	382	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
39 500	Alphabet Inc., Class A	\$ 46 691	\$ 56 398	
469 500	AT&T Inc.	19 450	18 294	
28 400	Charter Communications Inc.	11 396	11 052	
261 000	Comcast Corp., Class A	11 809	12 133	
164 400	Facebook Inc., Class A	31 184	29 472	
39 200	Netflix Inc.	13 031	14 324	
127 100	The Walt Disney Company	18 767	19 030	
124 400	Verizon Communications Inc.	9 800	9 548	
		162 128	170 251	9.0
Consumer Discretionary				
31 500	Amazon.com, Inc.	50 586	64 590	
100 000	Dollar General Corp.	10 694	14 758	
118 800	Home Depot Inc.	22 281	27 881	
92 800	McDonald's Corp.	18 064	22 496	
71 900	Nike Inc.	6 988	7 276	
60 400	Ross Stores Inc.	6 350	6 861	
70 900	Starbucks Corp.	6 245	6 236	
169 300	Target Corporation	16 418	15 275	
202 000	TJX Companies Inc.	11 651	12 338	
		149 277	177 711	9.3
Consumer Staples				
284 700	Altria Group Inc.	22 063	19 197	
184 800	Mondelez International Inc.	9 410	10 099	
148 000	PepsiCo Inc.	21 456	22 322	
168 700	Philip Morris International Inc.	19 144	15 375	
343 800	The Coca-Cola Co.	19 821	22 224	
151 800	The Procter & Gamble Co.	15 468	19 055	
155 800	Walmart Inc.	18 015	19 813	
		125 377	128 085	6.7
Energy				
119 800	Chevron Corp.	17 024	17 797	
258 300	ConocoPhillips	20 627	21 987	
97 900	EOG Resources Inc.	12 849	11 656	
255 100	Exxon Mobil Corp.	26 646	23 757	
134 300	Marathon Petroleum Corp.	11 922	10 819	
63 500	Phillips 66 Company	8 910	7 468	
		97 978	93 484	4.9
Financials				
1 229 900	Bank of America Corp.	26 147	41 414	
133 200	Berkshire Hathaway Inc., Class B	29 021	37 172	
80 000	Citigroup Inc.	7 250	5 684	
60 800	CME Group Inc., Class A	13 149	15 615	
272 500	JPMorgan Chase & Co.	25 169	36 357	
231 500	MetLife Inc.	12 460	12 977	
118 700	PNC Bank Corp.	20 213	18 941	
82 600	Prudential Financial Inc.	10 219	9 196	
143 500	The Progressive Corp.	12 337	11 819	
200 400	Wells Fargo & Company	14 948	12 611	
		170 913	201 786	10.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
154 500	Abbott Laboratories	\$ 12 880	\$ 15 256	
37 300	Amgen Inc.	8 144	9 919	
61 400	Anthem Inc.	19 246	22 015	
135 300	Baxter International Inc.	12 607	12 160	
29 300	Becton Dickinson & Co.	10 114	9 011	
78 100	Boston Scientific Corp.	3 723	3 768	
223 400	Bristol-Myers Squibb Co.	15 936	15 849	
279 900	CVS Health Corp.	25 893	25 036	
71 000	Danaher Corp.	9 677	9 995	
52 100	Eli Lilly & Co.	6 303	8 231	
20 900	Illumina Inc.	9 027	8 564	
157 200	Johnson & Johnson	23 029	27 699	
142 400	Medtronic Plc.	14 307	17 686	
155 800	Merck & Co. Inc.	12 133	16 265	
395 000	Pfizer Inc.	18 311	23 538	
46 200	Thermo Fisher Scientific Inc.	11 265	14 112	
110 200	UnitedHealth Group Incorporated	15 185	37 487	
		227 780	276 591	14.6
Industrials				
67 300	Boeing Co.	16 444	29 631	
38 500	Caterpillar Inc.	6 239	6 678	
194 800	CSX Corp.	18 278	16 523	
161 300	Delta Air Lines Inc.	12 279	10 988	
134 800	Eaton Corp Plc.	13 447	12 635	
556 000	General Electric Company	5 785	5 746	
76 100	Honeywell International Inc.	12 930	13 726	
68 500	Ingersoll-Rand Plc., Class A	9 021	8 529	
67 400	Raytheon Company	12 642	14 110	
104 400	Union Pacific Corp.	15 980	19 701	
47 200	United Technologies Corp.	7 942	6 860	
		130 987	145 127	7.6
Information Technology				
37 100	Accenture Plc., Class A	8 270	7 142	
43 200	Adobe Inc.	11 891	13 351	
270 700	Apple Inc.	47 940	58 366	
66 400	Applied Materials Inc.	3 169	2 970	
41 000	Broadcom Inc.	12 108	14 233	
429 300	Cisco Systems Inc.	17 494	25 439	
396 000	HP Inc.	12 697	11 061	
296 100	Intel Corp.	16 517	18 985	
62 300	International Business Machines	10 127	9 664	
10 900	Lam Research Corp.	2 123	2 026	
70 500	Mastercard Inc.	10 773	18 157	
518 100	Microsoft Corp.	32 556	71 909	
108 700	PayPal Holdings Inc.	11 211	12 488	
31 500	Proofpoint Inc.	3 727	3 604	
66 300	Salesforce.com Inc.	10 299	12 398	
15 500	ServiceNow Inc.	3 712	3 765	
87 700	Texas Instruments Inc.	10 429	11 314	
124 700	Visa Inc., Class A	15 700	22 469	
		240 743	319 341	16.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
67 400	Air Products & Chemicals Inc.	\$ 14 385	\$ 14 730	
117 500	LyondellBasell Industries N.V.	14 768	13 342	
		29 153	28 072	1.5
Real Estate				
77 700	Crown Castle International Corp.			
	Real Estate Investment Trust	10 588	11 525	
60 200	Simon Property Group Inc.	14 140	13 807	
		24 728	25 332	1.3
Utilities				
111 700	American Electric Power	10 337	11 397	
82 600	Dominion Energy Inc.	8 071	8 062	
52 900	Duke Energy Corp.	5 361	6 233	
173 800	Exelon Corp.	9 125	10 701	
56 100	NextEra Energy Inc.	9 085	13 314	
		41 979	49 707	2.6
TOTAL COMMON EQUITIES		1 401 043	1 615 487	84.9
UNDERLYING FUNDS				
459 700	iShares Dow Jones US			
	Real Estate Index Fund	46 219	47 031	
2 205 981	RBC U.S. Mid-Cap Growth			
	Equity Fund*	56 885	85 186	
4 578 766	RBC U.S. Mid-Cap Value			
	Equity Fund*	55 933	52 909	
975 584	RBC U.S. Small-Cap Core			
	Equity Fund*	12 558	16 926	
TOTAL UNDERLYING FUNDS		171 595	202 052	10.6
SHORT-TERM INVESTMENTS†		82 702	83 921	4.4
TOTAL INVESTMENTS		\$1 655 340	1 901 460	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			828	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$1 902 288		100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.90% and mature between January 4, 2019 and January 22, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 901 460	\$ 1 969 468
Cash	223	192
Subscriptions receivable	862	1 632
Dividends receivable, interest accrued and other assets	1 657	1 068
TOTAL ASSETS	1 904 202	1 972 360
LIABILITIES		
Redemptions payable	1 070	740
Distributions payable	17	–
Accounts payable and accrued expenses	827	898
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 914	1 638
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 902 288	\$ 1 970 722
Investments at cost	\$ 1 655 340	\$ 1 622 223
NAV		
SERIES A	\$ 422 903	\$ 471 766
ADVISOR SERIES	\$ 9 299	\$ 9 595
SERIES T5	\$ 27	\$ 1
SERIES D	\$ 31 411	\$ 31 023
SERIES F	\$ 82 297	\$ 60 378
SERIES FT5	\$ 410	\$ 30
SERIES O	\$ 1 355 941	\$ 1 397 929
NAV PER UNIT		
SERIES A	\$ 28.78	\$ 30.11
ADVISOR SERIES	\$ 28.93	\$ 30.27
SERIES T5	\$ 28.42	\$ 30.29
SERIES D	\$ 30.40	\$ 31.77
SERIES F	\$ 32.63	\$ 34.13
SERIES FT5	\$ 31.45	\$ 33.42
SERIES O	\$ 31.35	\$ 32.80

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 36 235	\$ 35 811
Interest for distribution purposes	1 623	421
Income from investment trusts	8 140	7 965
Derivative income	17	(20)
Net realized gain (loss) on investments	141 312	104 643
Change in unrealized gain (loss) on investments	(101 125)	84 370
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	86 202	233 190
Securities lending revenue (see note 7 in the generic notes)	85	102
Net gain (loss) on foreign cash balances	1 717	(417)
TOTAL OTHER INCOME (LOSS)	1 802	(315)
TOTAL INCOME (LOSS)	88 004	232 875
EXPENSES (see notes – Fund Specific Information)		
Management fees	8 357	8 340
Administration fees	1 103	1 067
Independent Review Committee costs	2	3
GST/HST	981	973
Transaction costs	1 917	1 545
Withholding tax	5 104	5 006
TOTAL EXPENSES	17 464	16 934
INCREASE (DECREASE) IN NAV	\$ 70 540	\$ 215 941
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 9 669	\$ 47 944
ADVISOR SERIES	\$ 165	\$ 900
SERIES T5	\$ (2)	\$ –
SERIES D	\$ 827	\$ 3 158
SERIES F	\$ 1 178	\$ 5 412
SERIES FT5	\$ (38)	\$ 3
SERIES O	\$ 58 741	\$ 158 524
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.66	\$ 2.98
ADVISOR SERIES	\$ 0.53	\$ 3.00
SERIES T5	\$ (5.11)	\$ 2.18
SERIES D	\$ 0.83	\$ 3.39
SERIES F	\$ 0.55	\$ 3.91
SERIES FT5	\$ (4.82)	\$ 10.44
SERIES O	\$ 1.42	\$ 3.96



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 70 540	\$ 215 941
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(6 570)	(7 965)
Net realized loss (gain) on investments	(139 240)	(100 640)
Change in unrealized loss (gain) on investments	101 125	(84 370)
(Increase) decrease in accrued receivables	(589)	895
Increase (decrease) in accrued payables	(71)	7
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(3 781 295)	(2 777 342)
Proceeds from sale and maturity of investments	3 893 988	2 795 902
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	137 888	42 428
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	170 369	169 720
Cash paid on redemption of redeemable units	(299 993)	(205 101)
Distributions paid to holders of redeemable units	(8 233)	(7 039)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (137 857)	\$ (42 420)
Net increase (decrease) in cash for the period	31	8
Cash (bank overdraft), beginning of period	192	184
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 223	\$ 192
Interest received (paid)	\$ 1 546	\$ 394
Dividends received, net of withholding taxes	\$ 30 691	\$ 31 727

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 471 766	\$ 492 097	\$ 9 595	\$ 8 753	\$ 1	\$ —	\$ 31 023	\$ 28 264
INCREASE (DECREASE) IN NAV	9 669	47 944	165	900	(2)	—	827	3 158
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	27 308	22 803	1 141	1 509	32	3	9 024	8 248
Reinvestments of distributions to holders of redeemable units	24 421	21 552	531	436	2	—	2 033	1 584
Redemption of redeemable units	(85 284)	(90 561)	(1 581)	(1 561)	(4)	(2)	(9 410)	(8 600)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(33 555)	(46 206)	91	384	30	1	1 647	1 232
Distributions from net income	—	—	—	—	—	—	(227)	(180)
Distributions from net gains	(24 977)	(22 069)	(552)	(442)	(2)	—	(1 859)	(1 451)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(24 977)	(22 069)	(552)	(442)	(2)	—	(2 086)	(1 631)
NET INCREASE (DECREASE) IN NAV	(48 863)	(20 331)	(296)	842	26	1	388	2 759
NAV AT END OF PERIOD	\$ 422 903	\$ 471 766	\$ 9 299	\$ 9 595	\$ 27	\$ 1	\$ 31 411	\$ 31 023

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 60 378	\$ 33 858	\$ 30	\$ —	\$ 1 397 929	\$ 1 233 463	\$ 1 970 722	\$ 1 796 435
INCREASE (DECREASE) IN NAV	1 178	5 412	(38)	3	58 741	158 524	70 540	215 941
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	40 888	32 363	648	29	124 763	133 911	203 804	198 866
Reinvestments of distributions to holders of redeemable units	3 994	1 960	25	1	98 374	81 935	129 380	107 468
Redemption of redeemable units	(18 333)	(9 816)	(215)	(2)	(219 701)	(122 939)	(334 528)	(233 481)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	26 549	24 507	458	28	3 436	92 907	(1 344)	72 853
Distributions from net income	(859)	(538)	(2)	—	(23 792)	(22 094)	(24 880)	(22 812)
Distributions from net gains	(4 949)	(2 861)	(38)	(1)	(80 373)	(64 871)	(112 750)	(91 695)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 808)	(3 399)	(40)	(1)	(104 165)	(86 965)	(137 630)	(114 507)
NET INCREASE (DECREASE) IN NAV	21 919	26 520	380	30	(41 988)	164 466	(68 434)	174 287
NAV AT END OF PERIOD	\$ 82 297	\$ 60 378	\$ 410	\$ 30	\$ 1 355 941	\$ 1 397 929	\$ 1 902 288	\$ 1 970 722

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Series T5 and Series FT5 units were started February 15, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	16.8	23.8
Health Care	14.6	12.0
Financials	10.6	16.6
United States Equity Funds	10.6	8.6
Consumer Discretionary	9.3	9.2
Communication Services	9.0	1.9
Industrials	7.6	9.1
Consumer Staples	6.7	5.9
Energy	4.9	6.0
Utilities	2.6	1.7
Materials	1.5	1.2
Real Estate	1.3	–
Cash/Other	4.5	4.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 615 487	–	–	1 615 487
Underlying funds	202 052	–	–	202 052
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	83 921	–	83 921
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 817 539	83 921	–	1 901 460
% of total portfolio	95.6	4.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 667 093	–	–	1 667 093
Underlying funds	226 000	–	–	226 000
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	76 375	–	76 375
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 893 093	76 375	–	1 969 468
% of total portfolio	96.1	3.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	38	35
Series FT5	35	32
Series O	402	371
Value of all units	15	14

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Mid-Cap Growth Equity Fund	4.5	9.8	3.9	9.7
RBC U.S. Mid-Cap Value Equity Fund	2.8	8.8	3.6	11.3
RBC U.S. Small-Cap Core Equity Fund	0.9	11.9	1.1	9.0

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector SPDR Fund	–	–	0.9	–
iShares Dow Jones US Real Estate Index Fund	2.5	1.0	1.9	0.8

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	15 670	17 243
Issued number of units	864	766
Reinvested number of units	860	700
Redeemed number of units	(2 700)	(3 039)
Ending number of units	14 694	15 670
Advisor Series		
Opening units	317	305
Issued number of units	35	50
Reinvested number of units	19	14
Redeemed number of units	(50)	(52)
Ending number of units	321	317
Series T5		
Opening units	–	–
Issued number of units	1	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	1	–
Series D		
Opening units	976	941
Issued number of units	270	259
Reinvested number of units	68	49
Redeemed number of units	(281)	(273)
Ending number of units	1 033	976
Series F		
Opening units	1 769	1 050
Issued number of units	1 138	951
Reinvested number of units	124	56
Redeemed number of units	(509)	(288)
Ending number of units	2 522	1 769

Please see the generic notes at the back of the financial statements.



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series FT5		
Opening units	1	–
Issued number of units	18	1
Reinvested number of units	1	–
Redeemed number of units	(7)	–
Ending number of units	13	1
Series O		
Opening units	42 620	39 790
Issued number of units	3 638	4 150
Reinvested number of units	3 181	2 443
Redeemed number of units	(6 186)	(3 763)
Ending number of units	43 253	42 620

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 917	100	1 545	100
Related-party brokerage commissions*	204	11	131	8
Commission arrangements†	203	11	311	20

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	84 474		75 493	
Fair value of collateral received	86 164		77 003	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	121	100	150	100
RBC IS (paid)	(30)	(25)	(42)	(28)
Tax withheld	(6)	(5)	(6)	(4)
Fund revenue	85	70	102	68

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Select Aggressive Growth Portfolio	2.1	1.9
RBC Select Balanced Portfolio	17.1	15.4
RBC Select Conservative Portfolio	16.3	15.8
RBC Select Growth Portfolio	7.6	7.0
RBC Target 2020 Education Fund	0.3	0.4
RBC Target 2025 Education Fund	1.7	1.9
RBC Target 2030 Education Fund	1.9	1.7
RBC Target 2035 Education Fund	0.2	–
RBC U.S. Equity Class	1.6	1.5
Total	48.8	45.6



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. EQUITY CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
800	Alphabet Inc., Class A	\$ 968	\$ 1 142	
4 800	AT&T Inc.	199	186	
600	Charter Communications Inc.	240	234	
5 500	Comcast Corp., Class A	251	256	
3 500	Facebook Inc., Class A	665	627	
800	Netflix Inc.	270	292	
2 800	The Walt Disney Company	414	418	
2 600	Verizon Communications Inc.	205	200	
		3 212	3 355	9.0
Consumer Discretionary				
700	Amazon.com, Inc.	1 195	1 435	
1 600	Dollar General Corp.	175	236	
2 300	Home Depot Inc.	444	540	
2 000	McDonald's Corp.	393	485	
1 600	Nike Inc.	155	162	
1 300	Ross Stores Inc.	137	148	
1 500	Starbucks Corp.	132	132	
3 700	Target Corporation	356	334	
4 200	TJX Companies Inc.	236	257	
		3 223	3 729	10.0
Consumer Staples				
3 900	Altria Group Inc.	303	263	
4 000	Mondelez International Inc.	204	219	
3 200	PepsiCo Inc.	462	483	
2 800	Philip Morris International Inc.	318	255	
7 600	The Coca-Cola Co.	438	491	
3 200	The Procter & Gamble Co.	323	402	
3 400	Walmart Inc.	395	432	
		2 443	2 545	6.9
Energy				
2 700	Chevron Corp.	393	401	
5 500	ConocoPhillips	442	468	
2 100	EOG Resources Inc.	276	250	
2 350	Exxon Mobil Corp.	245	219	
3 000	Marathon Petroleum Corp.	266	242	
1 400	Phillips 66 Company	196	165	
		1 818	1 745	4.7
Financials				
26 200	Bank of America Corp.	632	882	
2 900	Berkshire Hathaway Inc., Class B	628	809	
1 700	Citigroup Inc.	154	121	
1 300	CME Group Inc., Class A	281	334	
5 000	JPMorgan Chase & Co.	416	667	
5 000	MetLife Inc.	269	280	
2 500	PNC Bank Corp.	427	399	
1 800	Prudential Financial Inc.	223	200	
3 200	The Progressive Corp.	275	264	
4 200	Wells Fargo & Company	314	264	
		3 619	4 220	11.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
3 400	Abbott Laboratories	\$ 284	\$ 336	
800	Amgen Inc.	175	213	
1 300	Anthem Inc.	407	466	
2 800	Baxter International Inc.	261	252	
600	Becton Dickinson & Co.	207	185	
1 600	Boston Scientific Corp.	76	77	
5 100	Bristol-Myers Squibb Co.	361	362	
6 000	CVS Health Corp.	554	537	
1 500	Danaher Corp.	204	211	
1 200	Eli Lilly & Co.	146	190	
400	Illumina Inc.	172	164	
3 500	Johnson & Johnson	524	617	
2 800	Medtronic Plc.	280	348	
3 400	Merck & Co. Inc.	264	355	
8 700	Pfizer Inc.	403	518	
700	Thermo Fisher Scientific Inc.	166	214	
2 300	UnitedHealth Group Incorporated	304	782	
		4 788	5 827	15.7
Industrials				
1 500	Boeing Co.	377	660	
900	Caterpillar Inc.	146	156	
4 100	CSX Corp.	385	348	
3 400	Delta Air Lines Inc.	259	232	
2 700	Eaton Corp Plc.	269	253	
11 900	General Electric Company	124	123	
1 600	Honeywell International Inc.	272	289	
1 500	Ingersoll-Rand Plc., Class A	198	187	
1 500	Raytheon Company	291	314	
2 400	Union Pacific Corp.	371	453	
1 000	United Technologies Corp.	168	145	
		2 860	3 160	8.5
Information Technology				
800	Accenture Plc., Class A	178	154	
900	Adobe Inc.	248	278	
5 900	Apple Inc.	1 033	1 272	
1 500	Applied Materials Inc.	72	67	
900	Broadcom Inc.	266	312	
9 300	Cisco Systems Inc.	381	551	
8 400	HP Inc.	269	235	
6 400	Intel Corp.	355	410	
1 300	International Business Machines	211	202	
200	Lam Research Corp.	39	37	
1 600	Mastercard Inc.	244	412	
10 900	Microsoft Corp.	682	1 513	
2 400	PayPal Holdings Inc.	249	276	
700	Proofpoint Inc.	83	80	
1 500	Salesforce.com Inc.	235	280	
300	ServiceNow Inc.	72	73	
1 900	Texas Instruments Inc.	226	245	
2 600	Visa Inc., Class A	329	468	
		5 172	6 865	18.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
1 500	Air Products & Chemicals Inc.	\$ 320	\$ 328	
2 500	LyondellBasell Industries N.V.	313	284	
		633	612	1.6
Real Estate				
1 700	Crown Castle International Corp.			
	Real Estate Investment Trust	232	252	
1 200	Simon Property Group Inc.	282	275	
		514	527	1.4
Utilities				
2 500	American Electric Power	231	255	
1 800	Dominion Energy Inc.	176	176	
900	Duke Energy Corp.	90	106	
3 700	Exelon Corp.	196	228	
1 200	NextEra Energy Inc.	195	285	
		888	1 050	2.8
TOTAL COMMON EQUITIES		29 170	33 635	90.5
UNDERLYING FUNDS				
9 800	iShares Dow Jones US			
	Real Estate Index Fund	1 006	1 003	
44 550	RBC U.S. Mid-Cap Growth			
	Equity Fund*	1 003	1 720	
97 482	RBC U.S. Mid-Cap Value			
	Equity Fund*	1 113	1 126	
21 087	RBC U.S. Small-Cap Core			
	Equity Fund*	235	366	
TOTAL UNDERLYING FUNDS		3 357	4 215	11.3
SHORT-TERM INVESTMENTS[†]		692	692	1.9
TOTAL INVESTMENTS		33 219	38 542	103.7
UNREALIZED GAIN ON FOREIGN				
EXCHANGE CONTRACTS (SCHEDULE A)		—	222	0.6
UNREALIZED LOSS ON FOREIGN				
EXCHANGE CONTRACTS (SCHEDULE A)		—	(1 548)	(4.2)
TOTAL PORTFOLIO		\$ 33 219	37 216	100.1
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS				
OF REDEEMABLE UNITS				
NET ASSETS ATTRIBUTABLE TO			(49)	(0.1)
HOLDERS OF REDEEMABLE UNITS		\$ 37 167	100.0	

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 615 Sold CAD 799 @ 0.7700	14-Jan-2019	\$ 42
Bought USD 300 Sold CAD 397 @ 0.7566	14-Jan-2019	13
Bought USD 130 Sold CAD 174 @ 0.7462	14-Jan-2019	3
Bought USD 226 Sold CAD 294 @ 0.7683	22-Jan-2019	14
Bought USD 165 Sold CAD 216 @ 0.7652	23-Jan-2019	9
Bought USD 855 Sold CAD 1 129 @ 0.7575	23-Jan-2019	39
Bought USD 139 Sold CAD 187 @ 0.7451	23-Jan-2019	3
Bought USD 144 Sold CAD 193 @ 0.7463	28-Jan-2019	3
Bought CAD 300 Sold USD 220 @ 1.3626	04-Feb-2019	—
Bought USD 248 Sold CAD 330 @ 0.7527	04-Feb-2019	9
Bought USD 700 Sold CAD 949 @ 0.7376	11-Feb-2019	6
Bought USD 350 Sold CAD 462 @ 0.7578	13-Feb-2019	15
Bought USD 1 400 Sold CAD 1 872 @ 0.7478	25-Feb-2019	37
Bought USD 805 Sold CAD 1 093 @ 0.7364	04-Mar-2019	4
Bought USD 124 Sold CAD 166 @ 0.7487	19-Mar-2019	3
Bought USD 330 Sold CAD 441 @ 0.7478	19-Mar-2019	8
Bought USD 400 Sold CAD 538 @ 0.7438	19-Mar-2019	7
Bought USD 600 Sold CAD 810 @ 0.7405	19-Mar-2019	7
		\$ 222

Contracts	Maturity Date	Unrealized Loss
Bought CAD 132 Sold USD 102 @ 1.2906	04-Jan-2019	\$ (8)
Bought CAD 131 Sold USD 100 @ 1.3100	09-Jan-2019	(5)
Bought CAD 1 208 Sold USD 916 @ 1.3192	11-Jan-2019	(42)
Bought CAD 159 Sold USD 120 @ 1.3229	11-Jan-2019	(5)
Bought CAD 345 Sold USD 270 @ 1.2771	14-Jan-2019	(24)
Bought CAD 519 Sold USD 400 @ 1.2980	16-Jan-2019	(27)
Bought CAD 241 Sold USD 187 @ 1.2891	23-Jan-2019	(14)
Bought CAD 850 Sold USD 650 @ 1.3078	23-Jan-2019	(37)
Bought CAD 653 Sold USD 500 @ 1.3054	24-Jan-2019	(29)
Bought CAD 490 Sold USD 375 @ 1.3053	24-Jan-2019	(22)
Bought CAD 164 Sold USD 124 @ 1.3250	24-Jan-2019	(5)
Bought CAD 2 366 Sold USD 1 823 @ 1.2981	25-Jan-2019	(121)
Bought CAD 612 Sold USD 468 @ 1.3068	28-Jan-2019	(27)
Bought CAD 1 249 Sold USD 953 @ 1.3110	28-Jan-2019	(51)
Bought CAD 307 Sold USD 237 @ 1.2943	30-Jan-2019	(17)
Bought CAD 1 178 Sold USD 901 @ 1.3076	31-Jan-2019	(51)
Bought CAD 263 Sold USD 200 @ 1.3165	01-Feb-2019	(9)
Bought CAD 2 742 Sold USD 2 100 @ 1.3055	04-Feb-2019	(123)
Bought CAD 744 Sold USD 557 @ 1.3363	06-Feb-2019	(15)
Bought CAD 1 307 Sold USD 997 @ 1.3104	07-Feb-2019	(53)
Bought CAD 214 Sold USD 163 @ 1.3137	08-Feb-2019	(8)
Bought CAD 1 463 Sold USD 1 120 @ 1.3065	11-Feb-2019	(64)
Bought CAD 228 Sold USD 171 @ 1.3334	11-Feb-2019	(5)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 086 Sold USD 1 594 @ 1.3089	12-Feb-2019	\$ (87)
Bought CAD 182 Sold USD 138 @ 1.3201	12-Feb-2019	(6)
Bought CAD 922 Sold USD 700 @ 1.3168	12-Feb-2019	(33)
Bought CAD 3 645 Sold USD 2 785 @ 1.3086	14-Feb-2019	(152)
Bought CAD 468 Sold USD 350 @ 1.3358	19-Feb-2019	(10)
Bought CAD 693 Sold USD 519 @ 1.3361	19-Feb-2019	(14)
Bought CAD 133 Sold USD 100 @ 1.3253	20-Feb-2019	(4)
Bought CAD 1 145 Sold USD 872 @ 1.3127	21-Feb-2019	(44)
Bought CAD 1 340 Sold USD 1 018 @ 1.3163	25-Feb-2019	(48)
Bought CAD 2 237 Sold USD 1 688 @ 1.3253	26-Feb-2019	(64)
Bought CAD 219 Sold USD 165 @ 1.3265	28-Feb-2019	(6)
Bought CAD 471 Sold USD 356 @ 1.3221	01-Mar-2019	(15)
Bought CAD 1 171 Sold USD 882 @ 1.3275	04-Mar-2019	(31)
Bought CAD 601 Sold USD 450 @ 1.3345	04-Mar-2019	(13)
Bought CAD 267 Sold USD 200 @ 1.3349	05-Mar-2019	(6)
Bought CAD 2 954 Sold USD 2 237 @ 1.3204	12-Mar-2019	(95)
Bought CAD 466 Sold USD 350 @ 1.3313	12-Mar-2019	(11)
Bought CAD 407 Sold USD 305 @ 1.3348	14-Mar-2019	(9)
Bought CAD 91 Sold USD 68 @ 1.3375	15-Mar-2019	(2)
Bought CAD 510 Sold USD 381 @ 1.3378	19-Mar-2019	(10)
Bought CAD 7 210 Sold USD 5 378 @ 1.3406	21-Mar-2019	(119)
Bought CAD 44 Sold USD 33 @ 1.3362	22-Mar-2019	(1)
Bought CAD 548 Sold USD 406 @ 1.3486	25-Mar-2019	(6)
		<u>\$ (1 548)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (1 326)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 38 542	\$ 40 513
Cash	17	33
Subscriptions receivable	47	12
Unrealized gain on foreign exchange contracts	222	475
Dividends receivable, interest accrued and other assets	33	21
TOTAL ASSETS	38 861	41 054
LIABILITIES		
Redemptions payable	91	9
Unrealized loss on foreign exchange contracts	1 548	97
Accounts payable and accrued expenses	55	61
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 694	167
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 37 167	\$ 40 887
Investments at cost	\$ 33 219	\$ 32 841
NAV		
SERIES A	\$ 25 445	\$ 30 655
ADVISOR SERIES	\$ 3 387	\$ 3 627
SERIES D	\$ 2 547	\$ 2 285
SERIES F	\$ 5 733	\$ 4 143
SERIES O	\$ 55	\$ 177
NAV PER UNIT		
SERIES A	\$ 13.48	\$ 14.61
ADVISOR SERIES	\$ 14.22	\$ 15.40
SERIES D	\$ 14.81	\$ 15.91
SERIES F	\$ 15.53	\$ 16.63
SERIES O	\$ 16.70	\$ 17.76

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 764	\$ 747
Interest for distribution purposes	8	3
Income from investment trusts	166	170
Derivative income	(2 051)	1 541
Net realized gain (loss) on investments	2 958	2 939
Change in unrealized gain (loss) on investments	(4 053)	1 863
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(2 208)	7 263
Securities lending revenue (see note 7 in the generic notes)	2	2
Net gain (loss) on foreign cash balances	26	(10)
TOTAL OTHER INCOME (LOSS)	28	(8)
TOTAL INCOME (LOSS)	(2 180)	7 255
EXPENSES (see notes – Fund Specific Information)		
Management fees	592	574
Administration fees	55	55
Independent Review Committee costs	2	3
GST/HST	66	65
Transaction costs	41	32
Withholding tax	107	104
Expenses reimbursed by manager	—	(3)
TOTAL EXPENSES	863	830
INCREASE (DECREASE) IN NAV	\$ (3 043)	\$ 6 425
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 047)	\$ 4 842
ADVISOR SERIES	\$ (299)	\$ 621
SERIES D	\$ (230)	\$ 333
SERIES F	\$ (454)	\$ 626
SERIES O	\$ (13)	\$ 3
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.03)	\$ 2.19
ADVISOR SERIES	\$ (1.25)	\$ 2.28
SERIES D	\$ (1.32)	\$ 2.52
SERIES F	\$ (1.43)	\$ 2.71
SERIES O	\$ (1.80)	\$ 4.14



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 043)	\$ 6 425
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(136)	(170)
Net realized loss (gain) on investments	(2 916)	(2 875)
Change in unrealized loss (gain) on investments	4 053	(1 863)
(Increase) decrease in accrued receivables	(12)	21
Increase (decrease) in accrued payables	(6)	2
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(205 844)	(153 897)
Proceeds from sale and maturity of investments	208 518	156 375
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	614	4 018
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	8 753	5 177
Cash paid on redemption of redeemable units	(9 383)	(9 204)
Distributions paid to holders of redeemable units	—	(1)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (630)	\$ (4 028)
Net increase (decrease) in cash for the period	(16)	(10)
Cash (bank overdraft), beginning of period	33	43
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 17	\$ 33
Interest received (paid)	\$ 8	\$ 3
Dividends received, net of withholding taxes	\$ 647	\$ 664

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 30 655	\$ 29 725	\$ 3 627	\$ 4 263	\$ 2 285	\$ 1 548	\$ 4 143	\$ 3 030
INCREASE (DECREASE) IN NAV	(2 047)	4 842	(299)	621	(230)	333	(454)	626
Early redemption fees	—	(1)	—	—	1	—	—	—
Proceeds from redeemable units issued	4 183	3 315	963	58	2 304	1 250	3 208	1 556
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	2	—	3
Redemption of redeemable units	(7 346)	(7 226)	(904)	(1 315)	(1 813)	(846)	(1 164)	(1 068)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 163)	(3 912)	59	(1 257)	492	406	2 044	491
Distributions from net income	—	—	—	—	—	(2)	—	(4)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	(2)	—	(4)
NET INCREASE (DECREASE) IN NAV	(5 210)	930	(240)	(636)	262	737	1 590	1 113
NAV AT END OF PERIOD	\$ 25 445	\$ 30 655	\$ 3 387	\$ 3 627	\$ 2 547	\$ 2 285	\$ 5 733	\$ 4 143

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 177	\$ 2	\$ 40 887	\$ 38 568
INCREASE (DECREASE) IN NAV	(13)	3	(3 043)	6 425
Early redemption fees	—	—	1	(1)
Proceeds from redeemable units issued	72	172	10 730	6 351
Reinvestments of distributions to holders of redeemable units	—	—	—	5
Redemption of redeemable units	(181)	—	(11 408)	(10 455)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(109)	172	(677)	(4 100)
Distributions from net income	—	—	—	(6)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	(6)
NET INCREASE (DECREASE) IN NAV	(122)	175	(3 720)	2 319
NAV AT END OF PERIOD	\$ 55	\$ 177	\$ 37 167	\$ 40 887

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	18.5	24.0
Health Care	15.7	12.2
Financials	11.4	15.8
United States Equity Funds	11.3	8.8
Consumer Discretionary	10.0	9.1
Communication Services	9.0	1.9
Industrials	8.5	9.5
Consumer Staples	6.9	5.7
Energy	4.7	6.1
Utilities	2.8	1.8
Materials	1.6	1.1
Real Estate	1.4	—
Cash/Other	(1.8)	4.0
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (hedged to CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	33 635	—	—	33 635
Underlying funds	4 215	—	—	4 215
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	692	—	692
Derivatives – assets	—	222	—	222
Derivatives – liabilities	—	(1 548)	—	(1 548)
Total financial instruments	37 850	(634)	—	37 216
% of total portfolio	101.7	(1.7)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	34 534	—	—	34 534
Underlying funds	4 738	—	—	4 738
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	1 241	—	1 241
Derivatives – assets	—	475	—	475
Derivatives – liabilities	—	(97)	—	(97)
Total financial instruments	39 272	1 619	—	40 891
% of total portfolio	96.0	4.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.15%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	128	128
Value of all units	2	2

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Mid-Cap Growth Equity Fund	4.6	0.2	3.8	0.2
RBC U.S. Mid-Cap Value Equity Fund	3.0	0.2	3.8	0.2
RBC U.S. Small-Cap Core Equity Fund	1.0	0.3	1.2	0.2

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Financial Select Sector SPDR Fund	–	–	0.9	–
iShares Dow Jones US Real Estate Index Fund	2.7	–	1.9	–

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	6 690
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 098	2 394
Issued number of units	281	247
Reinvested number of units	–	–
Redeemed number of units	(492)	(543)
Ending number of units	1 887	2 098
Advisor Series		
Opening units	235	326
Issued number of units	60	4
Reinvested number of units	–	–
Redeemed number of units	(57)	(95)
Ending number of units	238	235
Series D		
Opening units	144	115
Issued number of units	140	86
Reinvested number of units	–	–
Redeemed number of units	(112)	(57)
Ending number of units	172	144
Series F		
Opening units	249	217
Issued number of units	188	102
Reinvested number of units	–	–
Redeemed number of units	(68)	(70)
Ending number of units	369	249
Series O		
Opening units	10	–
Issued number of units	3	10
Reinvested number of units	–	–
Redeemed number of units	(10)	–
Ending number of units	3	10

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	41	100	32	100
Related-party brokerage commissions*	4	10	3	9
Commission arrangements†	4	10	6	19

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	3 054	2 283
Fair value of collateral received	3 115	2 329

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	3	100	3	100
RBC IS (paid)	(1)	(25)	(1)	(27)
Tax withheld	–	(4)	–	(4)
Fund revenue	2	71	2	69

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	222	(1 548)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	222	(1 548)
Related amounts not set-off	(207)	207
Collateral (received) pledged	–	–
Net amount	15	(1 341)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	475	(97)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	475	(97)
Related amounts not set-off	(82)	82
Collateral (received) pledged	–	–
Net amount	393	(15)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUBE U.S. EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
83 846	Alphabet Inc., Class C	\$ 105 449	\$ 118 721	
457 500	AT&T Inc.	21 001	17 825	
308 500	Comcast Corp., Class A	14 571	14 341	
31 900	Facebook Inc., Class A	6 597	5 719	
615 300	Liberty Global Plc.	21 009	17 926	
90 200	Omnicom Group	8 654	9 020	
1 493 200	Sirius XM Holdings Inc.	13 151	11 640	
143 000	T-Mobile US Inc.	11 120	12 425	
36 200	TripAdvisor Inc.	3 068	2 666	
1 232 137	Verizon Communications Inc.	75 304	94 568	
		279 924	304 851	8.6
Consumer Discretionary				
50 100	Amazon.com, Inc.	102 942	102 730	
74 700	Best Buy Co. Inc.	7 098	5 401	
14 600	Booking Holdings Inc.	36 518	34 349	
8 400	Burlington Stores Inc.	1 846	1 865	
421 500	Foot Locker Inc.	28 437	30 613	
180 300	H&R Block, Inc.	5 927	6 245	
333 600	Home Depot Inc.	72 833	78 291	
217 700	Kohl's Corp.	21 917	19 717	
292 135	Las Vegas Sands Corp.	25 103	20 759	
20 400	McDonald's Corp.	4 490	4 945	
414 900	Nike Inc.	42 397	41 986	
25 500	Ross Stores Inc.	2 773	2 896	
142 100	Signet Jewelers Ltd.	7 769	6 163	
163 689	Starbucks Corp.	14 424	14 398	
580 400	Target Corporation	51 368	52 367	
554 700	TJX Companies Inc.	31 908	33 881	
362 800	Yum! Brands, Inc.	42 561	45 537	
		500 311	502 143	14.2
Consumer Staples				
677 800	Altria Group Inc.	52 177	45 702	
850 186	Colgate-Palmolive Company	74 641	69 083	
280 900	Estée Lauder Companies Inc., Class A	51 693	49 891	
59 202	Kimberly-Clark Corp.	9 121	9 213	
195 600	PepsiCo Inc.	29 297	29 502	
758 600	Philip Morris International Inc.	104 919	69 139	
259 700	The Procter & Gamble Co.	32 243	32 600	
		354 091	305 130	8.6
Energy				
603 400	ConocoPhillips	50 819	51 362	
52 100	EOG Resources Inc.	8 045	6 203	
21 000	Occidental Petroleum Corp.	1 848	1 760	
455 400	Phillips 66 Company	64 388	53 560	
94 809	Valero Energy Corp.	8 716	9 706	
		133 816	122 591	3.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
1 285 600	Ally Financial Inc.	\$ 34 621	\$ 39 771	
347 700	Ameriprise Financial Inc.	65 084	49 549	
27 000	Aon Plc.	4 929	5 359	
105 900	Capital One Financial Corp.	12 107	10 925	
500 261	CIT Group Inc.	33 653	26 126	
1 212 300	Citigroup Inc.	93 837	86 136	
44 200	JPMorgan Chase & Co.	6 482	5 897	
94 100	Morgan Stanley	5 499	5 096	
171 900	MSCI Inc.	31 738	34 599	
76 700	Northern Trust Corp.	9 302	8 753	
393 520	S&P Global Inc.	89 636	91 297	
58 700	T. Rowe Price Group Inc.	7 071	7 400	
5 600	The Goldman Sachs Group Inc.	1 691	1 277	
122 500	Voya Financial Inc.	6 981	6 713	
		402 631	378 898	10.7
Health Care				
64 500	AbbVie Inc.	7 818	8 118	
7 400	Abiomed Inc.	2 911	3 285	
254 952	Amgen Inc.	59 660	67 795	
36 900	Biogen Inc.	14 307	15 159	
793 800	Bristol-Myers Squibb Co.	60 862	56 314	
49 200	Cardinal Health Inc.	3 411	2 996	
69 100	Cigna Corp.	15 536	17 927	
276 866	Eli Lilly & Co.	32 485	43 740	
177 200	HCA Healthcare Inc.	32 211	30 106	
85 900	Humana Inc.	28 799	33 611	
34 000	IDEXX Laboratories Inc.	9 222	8 634	
5 500	Intuitive Surgical Inc.	3 676	3 597	
111 700	Johnson & Johnson	19 197	19 681	
64 900	McKesson Corp.	10 766	9 788	
68 000	Medtronic Plc.	8 443	8 446	
1 048 826	Merck & Co. Inc.	107 744	109 494	
23 200	Universal Health Services Inc., Class B	4 108	3 692	
41 000	Varian Medical Systems Inc.	6 389	6 342	
271 602	Vertex Pharmaceuticals Inc.	56 788	61 444	
		484 333	510 169	14.4
Industrials				
196 900	Boeing Co.	45 121	86 691	
142 200	C.H. Robinson Worldwide Inc.	17 506	16 325	
65 700	CSX Corp.	5 885	5 573	
61 700	Cummins Engine Inc.	11 316	11 259	
704 569	Delta Air Lines Inc.	48 717	47 998	
534 720	Expeditors International of Washington, Inc.	50 596	49 724	
45 500	Honeywell International Inc.	8 493	8 207	
15 500	Norfolk Southern Corp.	3 607	3 164	
450 100	Pentair Plc.	25 342	23 215	
332 440	Robert Half International Inc.	24 418	25 969	
35 600	Rockwell Automation Inc.	7 667	7 313	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
317 160	Rollins Inc.	\$ 12 059	\$ 15 622	
198 500	Southwest Airlines	13 828	12 600	
491 000	United Continental Holdings Inc.	50 861	56 125	
322 289	Waste Management Inc.	28 319	39 155	
		353 735	408 940	11.6
Information Technology				
264 670	Accenture Plc., Class A	40 614	50 951	
284 059	Apple Inc.	59 762	61 247	
84 900	Automatic Data Processing Inc.	15 953	15 204	
113 900	F5 Networks Inc.	18 358	25 195	
486 340	Fortinet Inc.	38 609	46 762	
262 600	Intel Corp.	16 778	16 837	
315 900	Intuit Inc.	53 312	84 895	
136 400	KLA-Tencor Corp.	17 986	16 684	
425 100	Mastercard Inc.	88 663	109 482	
505 700	Micron Technology Inc.	28 745	21 906	
1 251 326	Microsoft Corp.	147 660	173 675	
217 000	NXP Semiconductor N.V.	23 512	21 709	
283 500	PayPal Holdings Inc.	31 492	32 571	
117 500	Seagate Technology	7 163	6 196	
551 200	Texas Instruments Inc.	78 611	71 111	
		667 218	754 425	21.3
Materials				
22 600	Celanese Corp.	2 698	2 775	
311 900	Freeport-McMoRan Inc.	6 827	4 390	
48 900	International Paper Co.	2 929	2 694	
607 646	LyondellBasell Industries N.V.	71 272	68 999	
27 800	Nucor Corp.	2 124	1 966	
149 800	The Chemours Co.	5 306	5 771	
		91 156	86 595	2.4
Real Estate				
366 000	Simon Property Group Inc.	75 623	83 946	
1 448 000	VEREIT Inc. Real Estate Investment Trust	15 148	14 134	
		90 771	98 080	2.8
Utilities				
626 200	Centerpoint Energy Inc.	23 188	24 133	
379 500	Exelon Corp.	20 162	23 366	
288 000	NRG Energy Inc.	14 321	15 570	
		57 671	63 069	1.8
TOTAL COMMON EQUITIES		3 415 657	3 534 891	99.9
SHORT-TERM INVESTMENTS*		878	878	—
TOTAL INVESTMENTS		<u>\$3 416 535</u>	<u>3 535 769</u>	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			4 153	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$3 539 922</u>		100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 535 769	\$ 3 630 063
Cash	511	292
Subscriptions receivable	86	168
Dividends receivable, interest accrued and other assets	3 757	2 947
TOTAL ASSETS	3 540 123	3 633 470
LIABILITIES		
Redemptions payable	113	225
Distributions payable	19	–
Accounts payable and accrued expenses	69	69
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	201	294
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 539 922	\$ 3 633 176
Investments at cost	\$ 3 416 535	\$ 3 317 712
NAV		
SERIES F	\$ 3 310	\$ –
SERIES O	\$ 3 536 612	\$ 3 633 176
NAV PER UNIT		
SERIES F	\$ 8.42	\$ –
SERIES O	\$ 14.47	\$ 15.42

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 74 743	\$ 73 432
Interest for distribution purposes	21	23
Income from investment trusts	2 108	–
Derivative income	(31)	16
Net realized gain (loss) on investments	246 206	462 312
Change in unrealized gain (loss) on investments	(193 117)	(44 082)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	129 930	491 701
Securities lending revenue (see note 7 in the generic notes)	119	336
Net gain (loss) on foreign cash balances	225	312
TOTAL OTHER INCOME (LOSS)	344	648
TOTAL INCOME (LOSS)	130 274	492 349
EXPENSES (see notes – Fund Specific Information)		
Management fees	4	–
Administration fees	763	677
Independent Review Committee costs	2	3
GST/HST	77	68
Transaction costs	695	1 209
Withholding tax	9 929	9 680
TOTAL EXPENSES	11 470	11 637
INCREASE (DECREASE) IN NAV	\$ 118 804	\$ 480 712
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (216)	\$ –
SERIES O	\$ 119 020	\$ 480 712
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (1.26)	\$ –
SERIES O	\$ 0.51	\$ 2.34

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 118 804	\$ 480 712
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(245 470)	(460 814)
Change in unrealized loss (gain) on investments	193 117	44 082
(Increase) decrease in accrued receivables	(810)	(787)
Increase (decrease) in accrued payables	—	10
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 266 158)	(5 211 102)
Proceeds from sale and maturity of investments	4 412 805	5 157 384
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	212 288	9 485
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	185 098	206 472
Cash paid on redemption of redeemable units	(396 381)	(215 092)
Distributions paid to holders of redeemable units	(786)	(863)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (212 069)	\$ (9 483)
Net increase (decrease) in cash for the period	219	2
Cash (bank overdraft), beginning of period	292	290
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 511	\$ 292
Interest received (paid)	\$ 21	\$ 23
Dividends received, net of withholding taxes	\$ 64 004	\$ 62 965

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ 3 633 176	\$ 3 161 002	\$ 3 633 176	\$ 3 161 002
INCREASE (DECREASE) IN NAV	(216)	—	119 020	480 712	118 804	480 712
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	5 589	—	181 914	206 498	187 503	206 498
Reinvestments of distributions to holders of redeemable units	162	—	297 929	500 686	298 091	500 686
Redemption of redeemable units	(1 971)	—	(396 785)	(214 173)	(398 756)	(214 173)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 780	—	83 058	493 011	86 838	493 011
Distributions from net income	(35)	—	(65 223)	(60 317)	(65 258)	(60 317)
Distributions from net gains	(219)	—	(233 419)	(441 232)	(233 638)	(441 232)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(254)	—	(298 642)	(501 549)	(298 896)	(501 549)
NET INCREASE (DECREASE) IN NAV	3 310	—	(96 564)	472 174	(93 254)	472 174
NAV AT END OF PERIOD	\$ 3 310	\$ —	\$ 3 536 612	\$ 3 633 176	\$ 3 539 922	\$ 3 633 176

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies using a quantitative investment approach.

Series F units were started August 16, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	21.3	28.9
Health Care	14.4	12.1
Consumer Discretionary	14.2	12.5
Industrials	11.6	12.9
Financials	10.7	12.1
Consumer Staples	8.6	10.8
Communication Services	8.6	0.6
Energy	3.5	3.2
Real Estate	2.8	2.0
Materials	2.4	3.2
Utilities	1.8	1.5
Cash/Other	0.1	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	3 534 891	–	–	3 534 891
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	878	–	878
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	3 534 891	878	–	3 535 769
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	3 627 800	–	–	3 627 800
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 263	–	2 263
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	3 627 800	2 263	–	3 630 063
% of total portfolio	99.9	0.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	108	—
Value of all units	1	—

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	—	—
Issued number of units	585	—
Reinvested number of units	20	—
Redeemed number of units	(212)	—
Ending number of units	393	—
Series O		
Opening units	235 557	204 066
Issued number of units	11 373	12 731
Reinvested number of units	20 958	31 613
Redeemed number of units	(23 545)	(12 853)
Ending number of units	244 343	235 557

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	695	100	1 209	100
Related-party brokerage commissions*	—	—	4	—
Commission arrangements†	30	4	4	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	187 896	181 425
Fair value of collateral received	191 654	185 053

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	180	100	498	100
RBC IS (paid)	(44)	(25)	(139)	(28)
Tax withheld	(17)	(9)	(23)	(5)
Fund revenue	119	66	336	67

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Managed Payout Solution	2.5	3.6
RBC Managed Payout Solution – Enhanced	3.6	4.5
RBC Managed Payout Solution – Enhanced Plus	4.1	4.9
RBC Select Aggressive Growth Portfolio	4.4	4.1
RBC Select Balanced Portfolio	44.8	41.2
RBC Select Conservative Portfolio	17.3	17.2
RBC Select Growth Portfolio	13.2	12.7
RBC Total Return Growth Fund	—	—
Total	89.9	88.2



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUBE LOW VOLATILITY U.S. EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
9 898	Alphabet Inc., Class C	\$ 10 095	\$ 14 015	
133 144	Verizon Communications Inc.	9 700	10 219	
		19 795	24 234	1.4
Consumer Discretionary				
38 387	Best Buy Co. Inc.	3 868	2 775	
46 313	Carnival Corp.	3 578	3 118	
26 513	Choice Hotels International Inc.	2 776	2 591	
1 436	Graham Holdings Co.	1 067	1 256	
123 692	Home Depot Inc.	25 789	29 029	
92 517	McDonald's Corp.	17 960	22 428	
215 402	Nike Inc.	18 761	21 797	
180 928	Ross Stores Inc.	18 390	20 551	
827 713	TJX Companies Inc.	38 912	50 556	
164 054	Yum! Brands, Inc.	19 623	20 591	
		150 724	174 692	9.8
Consumer Staples				
627 673	Colgate-Palmolive Company	54 141	51 003	
53 985	Constellation Brands Inc.	15 305	11 852	
25 442	Costco Wholesale Corp.	7 817	7 076	
16 808	Estée Lauder Companies Inc., Class A	3 022	2 985	
46 076	Lancaster Colony Corp.	7 455	11 125	
325 570	PepsiCo Inc.	42 293	49 105	
208 146	Philip Morris International Inc.	27 074	18 971	
699 609	The Coca-Cola Co.	38 931	45 224	
45 394	The Hershey Co.	6 097	6 644	
391 066	The Procter & Gamble Co.	44 254	49 091	
101 432	Walmart Inc.	10 425	12 899	
		256 814	265 975	15.0
Energy				
60 746	Phillips 66 Company	9 129	7 144	
87 645	Valero Energy Corp.	11 180	8 972	
		20 309	16 116	0.9
Financials				
267 414	Ally Financial Inc.	9 172	8 273	
3 413	American National Insurance Co.	517	593	
7 003	Ameriprise Financial Inc.	1 181	998	
151 628	Capital One Financial Corp.	18 311	15 642	
330 253	Citigroup Inc.	30 219	23 465	
24 822	Discover Financial Services	2 350	1 999	
29 517	Jefferies Financial Group Inc.	897	700	
575 909	Loews Corp.	34 932	35 777	
137 964	Morgan Stanley	8 446	7 471	
23 017	Northern Trust Corp.	3 164	2 627	
174 280	Prudential Financial Inc.	20 839	19 403	
57 121	S&P Global Inc.	15 101	13 252	
41 826	The Goldman Sachs Group Inc.	12 262	9 541	
119 362	U.S. Bancorp	6 956	7 449	
		164 347	147 190	8.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
14 059	Abbott Laboratories	\$ 1 322	\$ 1 388	
101 490	Amgen Inc.	23 424	26 988	
177 641	Baxter International Inc.	14 885	15 966	
13 522	Biogen Inc.	4 919	5 555	
379 917	Danaher Corp.	44 628	53 484	
168 629	Eli Lilly & Co.	17 467	26 640	
13 440	Humana Inc.	5 848	5 259	
26 912	IDEXX Laboratories Inc.	7 674	6 834	
29 013	Intuitive Surgical Inc.	13 127	18 977	
283 876	Johnson & Johnson	40 746	50 019	
10 889	McKesson Corp.	1 840	1 642	
12 295	Medtronic Plc.	1 437	1 527	
65 955	Merck & Co. Inc.	5 564	6 885	
827 902	Pfizer Inc.	38 569	49 335	
63 459	Stryker Corp.	14 321	13 580	
158 377	UnitedHealth Group Incorporated	35 058	53 876	
8 532	Universal Health Services Inc., Class B	1 480	1 358	
131 442	Varian Medical Systems Inc.	18 575	20 333	
39 041	Zoetis Inc.	4 413	4 559	
		295 297	364 205	20.5
Industrials				
24 821	Boeing Co.	10 833	10 930	
67 991	Honeywell International Inc.	10 330	12 264	
278 525	Republic Services Inc.	19 964	27 417	
123 055	Robert Half International Inc.	8 927	9 613	
336 798	Rollins Inc.	14 469	16 589	
102 249	Toro Co.	7 904	7 795	
156 012	Waste Management Inc.	14 893	18 954	
		87 320	103 562	5.8
Information Technology				
204 871	Accenture Plc., Class A	33 731	39 439	
592 281	Amdocs Ltd.	48 050	47 367	
19 366	Amphenol Corp., Class A	2 299	2 141	
318 604	Cadence Design Systems Inc.	16 492	18 912	
33 626	Cisco Systems Inc.	2 147	1 993	
95 478	F5 Networks Inc.	17 828	21 120	
10 862	Fiserv Inc.	1 075	1 090	
198 306	Intuit Inc.	36 428	53 293	
107 007	Jack Henry & Associates Inc.	9 492	18 489	
208 379	Mastercard Inc.	45 107	53 667	
304 366	Microsoft Corp.	41 165	42 244	
51 896	Motorola Solutions Inc.	8 186	8 150	
		262 000	307 905	17.3
Materials				
143 572	Huntsman Corp.	4 065	3 781	
144 060	Louisiana-Pacific Corp.	5 011	4 370	
55 807	LyondellBasell Industries N.V.	7 209	6 337	
165 794	Newmont Mining Corporation	7 047	7 843	
36 309	Royal Gold Inc.	3 919	4 246	
		27 251	26 577	1.5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
784 143	Apple Hospitality Inc. Real Estate Investment Trust	\$ 17 852	\$ 15 266	
29 911	Equity Commonwealth Real Estate Investment Trust	1 221	1 225	
19 409	Gaming and Leisure Properties Inc. Real Estate Investment Trust	899	856	
64 296	Medical Properties Trust Inc. Real Estate Investment Trust	1 472	1 411	
443 550	Piedmont Office Realty Trust Inc., Class A Real Estate Investment Trust	11 188	10 318	
14 688	SL Green Realty Corp. Real Estate Investment Trust	1 857	1 586	
		<u>34 489</u>	<u>30 662</u>	1.7
Utilities				
23 443	Ameren Corporation	1 693	2 087	
432 537	American Electric Power	36 632	44 134	
111 706	American States Water Co.	6 554	10 224	
196 921	Atmos Energy Corp.	18 561	24 927	
471 278	Consolidated Edison Inc.	44 432	49 181	
267 592	DTE Energy Company	30 263	40 294	
125 259	Duke Energy Corp.	12 312	14 758	
35 431	Eversource Energy	2 746	3 146	
451 445	Exelon Corp.	24 217	27 796	
94 533	MDU Resources Group Inc.	3 252	3 077	
7 608	NorthWestern Corp.	543	617	
14 795	OGE Energy Corp.	724	792	
27 946	Pinnacle West Capital Corp.	2 838	3 251	
14 658	Southern Co.	917	879	
93 462	UGI Corp.	4 408	6 807	
274 205	WEC Energy Group Inc.	22 025	25 921	
758 113	Xcel Energy Inc.	38 727	50 993	
		<u>250 844</u>	<u>308 884</u>	17.4
TOTAL UNITED STATES EQUITIES		<u>1 569 190</u>	<u>1 770 002</u>	99.6
SHORT-TERM INVESTMENTS*		<u>3 599</u>	<u>3 599</u>	0.2
TOTAL INVESTMENTS		<u>\$1 572 789</u>	<u>1 773 601</u>	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>3 218</u>	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$1 776 819</u>		100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 773 601	\$ 1 678 086
Cash	11	132
Subscriptions receivable	2 990	1 709
Dividends receivable, interest accrued and other assets	2 349	2 619
TOTAL ASSETS	1 778 951	1 682 546
LIABILITIES		
Due to investment dealers	–	1 315
Redemptions payable	1 022	1 368
Distributions payable	45	21
Accounts payable and accrued expenses	1 065	960
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 132	3 664
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 776 819	\$ 1 678 882
Investments at cost	\$ 1 572 789	\$ 1 484 820
NAV		
SERIES A	\$ 466 792	\$ 430 856
ADVISOR SERIES	\$ 37 911	\$ 34 836
SERIES T5	\$ 3 571	\$ 2 112
SERIES D	\$ 91 268	\$ 82 851
SERIES F	\$ 225 653	\$ 158 760
SERIES FT5	\$ 6 702	\$ 4 321
SERIES O	\$ 944 922	\$ 965 146
NAV PER UNIT		
SERIES A	\$ 22.37	\$ 21.72
ADVISOR SERIES	\$ 22.12	\$ 21.48
SERIES T5	\$ 21.50	\$ 21.09
SERIES D	\$ 22.61	\$ 21.95
SERIES F	\$ 22.54	\$ 21.86
SERIES FT5	\$ 21.54	\$ 21.05
SERIES O	\$ 22.58	\$ 21.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 38 120	\$ 39 530
Interest for distribution purposes	43	34
Income from investment trusts	735	–
Derivative income	15	601
Net realized gain (loss) on investments	133 307	149 331
Change in unrealized gain (loss) on investments	7 546	26 312
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	179 766	215 808
Securities lending revenue		
(see note 7 in the generic notes)	56	57
Net gain (loss) on foreign cash balances	196	(601)
TOTAL OTHER INCOME (LOSS)	252	(544)
TOTAL INCOME (LOSS)	180 018	215 264
EXPENSES (see notes – Fund Specific Information)		
Management fees	9 781	8 298
Administration fees	972	849
Independent Review Committee costs	2	3
GST/HST	1 039	901
Transaction costs	217	394
Withholding tax	5 315	5 500
TOTAL EXPENSES	17 326	15 945
INCREASE (DECREASE) IN NAV	\$ 162 692	\$ 199 319
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 35 421	\$ 38 073
ADVISOR SERIES	\$ 2 656	\$ 3 091
SERIES T5	\$ 171	\$ 194
SERIES D	\$ 7 042	\$ 8 218
SERIES F	\$ 15 396	\$ 13 847
SERIES FT5	\$ 417	\$ 354
SERIES O	\$ 101 589	\$ 135 542
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 1.77	\$ 2.08
ADVISOR SERIES	\$ 1.71	\$ 2.05
SERIES T5	\$ 1.37	\$ 2.16
SERIES D	\$ 1.95	\$ 2.33
SERIES F	\$ 1.90	\$ 2.38
SERIES FT5	\$ 1.82	\$ 3.86
SERIES O	\$ 2.35	\$ 2.76



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 162 692	\$ 199 319
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(133 094)	(148 966)
Change in unrealized loss (gain) on investments	(7 546)	(26 312)
(Increase) decrease in accrued receivables	270	88
Increase (decrease) in accrued payables	105	314
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 499 915)	(2 505 091)
Proceeds from sale and maturity of investments	1 543 725	2 424 844
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	66 237	(55 804)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	466 280	632 822
Cash paid on redemption of redeemable units	(487 902)	(534 453)
Distributions paid to holders of redeemable units	(44 736)	(42 575)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (66 358)	\$ 55 794
Net increase (decrease) in cash for the period	(121)	(10)
Cash (bank overdraft), beginning of period	132	142
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 11	\$ 132
Interest received (paid)	\$ 43	\$ 34
Dividends received, net of withholding taxes	\$ 33 075	\$ 34 118

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 430 856	\$ 307 445	\$ 34 836	\$ 28 479	\$ 2 112	\$ 804	\$ 82 851	\$ 66 100
INCREASE (DECREASE) IN NAV	35 421	38 073	2 656	3 091	171	194	7 042	8 218
Early redemption fees	—	—	—	—	—	—	4	—
Proceeds from redeemable units issued	142 803	200 627	9 715	12 380	1 948	1 754	25 447	30 606
Reinvestments of distributions to holders of redeemable units	22 116	16 704	1 736	1 342	88	22	4 749	4 104
Redemption of redeemable units	(141 453)	(114 653)	(9 181)	(9 033)	(567)	(572)	(23 705)	(21 896)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	23 466	102 678	2 270	4 689	1 469	1 204	6 495	12 814
Distributions from net income	—	—	—	—	(1)	(2)	(699)	(956)
Distributions from net gains	(22 951)	(17 340)	(1 851)	(1 423)	(180)	(84)	(4 421)	(3 325)
Distributions from capital	—	—	—	—	—	(4)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(22 951)	(17 340)	(1 851)	(1 423)	(181)	(90)	(5 120)	(4 281)
NET INCREASE (DECREASE) IN NAV	35 936	123 411	3 075	6 357	1 459	1 308	8 417	16 751
NAV AT END OF PERIOD	\$ 466 792	\$ 430 856	\$ 37 911	\$ 34 836	\$ 3 571	\$ 2 112	\$ 91 268	\$ 82 851

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 158 760	\$ 89 413	\$ 4 321	\$ 182	\$ 965 146	\$ 934 290	\$ 1 678 882	\$ 1 426 713
INCREASE (DECREASE) IN NAV	15 396	13 847	417	354	101 589	135 542	162 692	199 319
Early redemption fees	—	1	—	—	—	—	4	1
Proceeds from redeemable units issued	122 638	96 019	2 714	4 218	217 615	323 080	522 880	668 684
Reinvestments of distributions to holders of redeemable units	8 668	5 803	139	92	27 947	29 027	65 443	57 094
Redemption of redeemable units	(66 559)	(37 666)	(518)	(330)	(300 896)	(389 089)	(542 879)	(573 239)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	64 747	64 157	2 335	3 980	(55 334)	(36 982)	45 448	152 540
Distributions from net income	(2 133)	(2 255)	(57)	(23)	(18 579)	(20 541)	(21 469)	(23 777)
Distributions from net gains	(11 117)	(6 402)	(314)	(172)	(47 900)	(47 163)	(88 734)	(75 909)
Distributions from capital	—	—	—	—	—	—	—	(4)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(13 250)	(8 657)	(371)	(195)	(66 479)	(67 704)	(110 203)	(99 690)
NET INCREASE (DECREASE) IN NAV	66 893	69 347	2 381	4 139	(20 224)	30 856	97 937	252 169
NAV AT END OF PERIOD	\$ 225 653	\$ 158 760	\$ 6 702	\$ 4 321	\$ 944 922	\$ 965 146	\$ 1 776 819	\$ 1 678 882

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies using a quantitative approach.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Health Care	20.5	15.6
Utilities	17.4	16.6
Information Technology	17.3	20.4
Consumer Staples	15.0	16.7
Consumer Discretionary	9.8	7.5
Financials	8.3	7.7
Industrials	5.8	8.1
Real Estate	1.7	0.8
Materials	1.5	3.2
Communication Services	1.4	1.0
Energy	0.9	2.2
Cash/Other	0.4	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.8	100.0
Total	99.8	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 0.8	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 770 002	–	–	1 770 002
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 599	–	3 599
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 770 002	3 599	–	1 773 601
% of total portfolio	99.8	0.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 676 261	–	–	1 676 261
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 825	–	1 825
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 676 261	1 825	–	1 678 086
% of total portfolio	99.9	0.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	94	89
Series T5	61	58
Series F	98	92
Series FT5	63	59
Value of all units	7	6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	19 836	15 025
Issued number of units	6 238	9 346
Reinvested number of units	1 000	752
Redeemed number of units	(6 207)	(5 287)
Ending number of units	20 867	19 836

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	1 622	1 407
Issued number of units	424	582
Reinvested number of units	79	61
Redeemed number of units	(411)	(428)
Ending number of units	1 714	1 622

Series T5		
Opening units	100	40
Issued number of units	88	87
Reinvested number of units	4	1
Redeemed number of units	(26)	(28)
Ending number of units	166	100

Series D		
Opening units	3 775	3 185
Issued number of units	1 081	1 409
Reinvested number of units	212	183
Redeemed number of units	(1 032)	(1 002)
Ending number of units	4 036	3 775

Series F		
Opening units	7 263	4 326
Issued number of units	5 266	4 398
Reinvested number of units	389	260
Redeemed number of units	(2 905)	(1 721)
Ending number of units	10 013	7 263

Series FT5		
Opening units	205	9
Issued number of units	123	208
Reinvested number of units	7	4
Redeemed number of units	(24)	(16)
Ending number of units	311	205

Series O		
Opening units	43 944	44 702
Issued number of units	9 448	14 746
Reinvested number of units	1 252	1 293
Redeemed number of units	(12 792)	(16 797)
Ending number of units	41 852	43 944

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	217	100	394	100
Related-party brokerage commissions*	1	—	1	—
Commission arrangements†	4	2	1	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	73 680	109 422
Fair value of collateral received	75 153	111 610

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	82	100	90	100
RBC IS (paid)	(21)	(25)	(25)	(28)
Tax withheld	(5)	(6)	(8)	(9)
Fund revenue	56	69	57	63

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC QUBE Low Volatility U.S. Equity Class	4.1	3.1
RBC Total Return Growth Fund	—	—
Total	4.1	3.1



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

**RBC QUBE LOW VOLATILITY U.S. EQUITY
CURRENCY NEUTRAL FUND**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
258	Alphabet Inc., Class C	\$ 318	\$ 365	
3 095	Verizon Communications Inc.	228	238	
		546	603	1.5
Consumer Discretionary				
1 367	Best Buy Co. Inc.	138	98	
1 073	Carnival Corp.	83	72	
888	Choice Hotels International Inc.	88	87	
62	Graham Holdings Co.	49	54	
2 987	Home Depot Inc.	684	701	
2 151	McDonald's Corp.	455	521	
5 008	Nike Inc.	451	507	
4 674	Ross Stores Inc.	498	531	
19 170	TJX Companies Inc.	997	1 171	
3 814	Yum! Brands, Inc.	456	479	
		3 899	4 221	10.2
Consumer Staples				
14 631	Colgate-Palmolive Company	1 261	1 189	
1 393	Constellation Brands Inc.	390	306	
679	Costco Wholesale Corp.	204	189	
389	Estée Lauder Companies Inc., Class A	71	69	
1 071	Lancaster Colony Corp.	196	259	
7 569	PepsiCo Inc.	1 090	1 142	
4 839	Philip Morris International Inc.	613	441	
16 264	The Coca-Cola Co.	941	1 051	
1 151	The Hershey Co.	155	168	
9 386	The Procter & Gamble Co.	1 055	1 178	
2 760	Walmart Inc.	309	351	
		6 285	6 343	15.4
Energy				
1 434	Phillips 66 Company	211	169	
2 105	Valero Energy Corp.	266	215	
		477	384	0.9
Financials				
6 217	Ally Financial Inc.	212	192	
166	American National Insurance Co.	27	29	
351	Ameriprise Financial Inc.	52	50	
710	Apollo Commercial Real Estate Finance Inc. Real Estate Investment Trust	17	16	
3 525	Capital One Financial Corp.	422	364	
7 678	Citigroup Inc.	693	546	
912	Discover Financial Services	79	73	
1 817	Jefferies Financial Group Inc.	46	43	
13 389	Loews Corp.	832	832	
3 207	Morgan Stanley	195	174	
1 966	New Residential Investment Corp. Real Estate Investment Trust	45	38	
547	Northern Trust Corp.	75	62	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
4 036	Prudential Financial Inc.	\$ 480	\$ 449	
1 607	S&P Global Inc.	422	373	
1 016	The Goldman Sachs Group Inc.	293	232	
3 947	U.S. Bancorp	261	246	
		4 151	3 719	9.0
Health Care				
482	Abbott Laboratories	46	48	
2 359	Amgen Inc.	556	627	
4 130	Baxter International Inc.	351	371	
378	Biogen Inc.	143	155	
8 832	Danaher Corp.	1 085	1 243	
3 920	Eli Lilly & Co.	449	619	
337	Humana Inc.	146	132	
626	IDEXX Laboratories Inc.	179	159	
674	Intuitive Surgical Inc.	355	441	
6 599	Johnson & Johnson	1 102	1 163	
252	McKesson Corp.	41	38	
285	Medtronic Plc.	34	35	
1 770	Merck & Co. Inc.	152	185	
19 247	Pfizer Inc.	935	1 147	
1 470	Stryker Corp.	330	315	
3 668	UnitedHealth Group Incorporated	1 014	1 248	
292	Universal Health Services Inc., Class B	49	46	
3 056	Varian Medical Systems Inc.	442	473	
908	Zoetis Inc.	104	106	
		7 513	8 551	20.8
Industrials				
577	Boeing Co.	255	254	
1 581	Honeywell International Inc.	277	285	
6 913	Republic Services Inc.	567	681	
2 861	Robert Half International Inc.	219	223	
7 830	Rollins Inc.	353	386	
2 377	Toro Co.	193	181	
3 627	Waste Management Inc.	373	441	
		2 237	2 451	5.9
Information Technology				
4 763	Accenture Plc., Class A	913	917	
109	Adobe Inc.	36	34	
13 769	Amdocs Ltd.	1 145	1 101	
586	Amphenol Corp., Class A	68	65	
7 407	Cadence Design Systems Inc.	399	440	
1 234	Cisco Systems Inc.	75	73	
2 220	F5 Networks Inc.	444	491	
252	Fiserv Inc.	25	25	
4 591	Intuit Inc.	975	1 234	
2 488	Jack Henry & Associates Inc.	356	430	
4 836	Mastercard Inc.	1 111	1 245	
7 076	Microsoft Corp.	971	982	
1 206	Motorola Solutions Inc.	193	189	
396	SynOpsys Inc.	39	46	
		6 750	7 272	17.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
4 312	Huntsman Corp.	\$ 118	\$ 114	
4 183	Louisiana-Pacific Corp.	141	127	
1 519	LyondellBasell Industries N.V.	194	172	
3 854	Newmont Mining Corporation	163	182	
1 056	Royal Gold Inc.	115	123	
		731	718	1.7
Real Estate				
18 230	Apple Hospitality Inc. Real Estate Investment Trust	410	355	
1 075	Equity Commonwealth Real Estate Investment Trust	44	44	
803	Gaming and Leisure Properties Inc. Real Estate Investment Trust	36	35	
2 170	Medical Properties Trust Inc. Real Estate Investment Trust	49	48	
10 311	Piedmont Office Realty Trust Inc., Class A Real Estate Investment Trust	256	240	
477	SL Green Realty Corp. Real Estate Investment Trust	58	52	
		853	774	1.9
Utilities				
543	Ameren Corporation	41	48	
10 542	American Electric Power	947	1 076	
2 597	American States Water Co.	173	238	
4 578	Atmos Energy Corp.	496	579	
11 429	Consolidated Edison Inc.	1 160	1 193	
6 221	DTE Energy Company	845	937	
2 940	Duke Energy Corp.	296	346	
1 094	Eversource Energy	88	97	
10 495	Exelon Corp.	583	646	
2 189	MDU Resources Group Inc.	75	71	
488	NorthWestern Corp.	38	40	
814	OGE Energy Corp.	42	44	
851	Pinnacle West Capital Corp.	92	99	
597	Southern Co.	37	36	
2 477	UGI Corp.	157	180	
6 375	WEC Energy Group Inc.	528	603	
18 044	Xcel Energy Inc.	1 064	1 214	
		6 662	7 447	18.1
TOTAL UNITED STATES EQUITIES		40 104	42 483	103.1
SHORT-TERM INVESTMENTS*		313	313	0.8
TOTAL INVESTMENTS		40 417	42 796	103.9
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	73	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(1 663)	(4.0)
TOTAL PORTFOLIO		\$ 40 417	41 206	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(18)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 41 188	100.0	

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 302 Sold CAD 400 @ 0.7559	07-Jan-2019	\$ 13
Bought CAD 325 Sold USD 238 @ 1.3628	23-Jan-2019	—
Bought USD 309 Sold CAD 407 @ 0.7594	23-Jan-2019	16
Bought USD 224 Sold CAD 300 @ 0.7463	23-Jan-2019	5
Bought CAD 11 Sold USD 8 @ 1.3240	11-Feb-2019	—
Bought CAD 81 Sold USD 60 @ 1.3603	11-Feb-2019	—
Bought USD 810 Sold CAD 1 100 @ 0.7361	12-Feb-2019	4
Bought USD 186 Sold CAD 247 @ 0.7525	13-Feb-2019	6
Bought USD 182 Sold CAD 242 @ 0.7528	13-Feb-2019	6
Bought USD 244 Sold CAD 330 @ 0.7395	13-Feb-2019	3
Bought USD 710 Sold CAD 955 @ 0.7435	07-Mar-2019	13
Bought USD 288 Sold CAD 385 @ 0.7478	19-Mar-2019	7
		\$ 73

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 806 Sold USD 1 398 @ 1.2918	07-Jan-2019	\$ (102)
Bought CAD 300 Sold USD 226 @ 1.3282	07-Jan-2019	(8)
Bought CAD 72 Sold USD 55 @ 1.3175	07-Jan-2019	(3)
Bought CAD 480 Sold USD 359 @ 1.3365	07-Jan-2019	(10)
Bought CAD 6 139 Sold USD 4 710 @ 1.3035	10-Jan-2019	(289)
Bought CAD 427 Sold USD 334 @ 1.2771	14-Jan-2019	(29)
Bought CAD 123 Sold USD 93 @ 1.3178	14-Jan-2019	(4)
Bought CAD 4 392 Sold USD 3 388 @ 1.2964	16-Jan-2019	(231)
Bought CAD 385 Sold USD 295 @ 1.3049	16-Jan-2019	(18)
Bought CAD 886 Sold USD 687 @ 1.2891	23-Jan-2019	(52)
Bought CAD 92 Sold USD 70 @ 1.3094	23-Jan-2019	(4)
Bought CAD 700 Sold USD 532 @ 1.3154	23-Jan-2019	(26)
Bought CAD 123 Sold USD 93 @ 1.3261	23-Jan-2019	(4)
Bought CAD 522 Sold USD 402 @ 1.2978	24-Jan-2019	(27)
Bought CAD 1 546 Sold USD 1 191 @ 1.2981	25-Jan-2019	(79)
Bought CAD 831 Sold USD 634 @ 1.3098	05-Feb-2019	(34)
Bought CAD 2 711 Sold USD 2 075 @ 1.3065	11-Feb-2019	(120)
Bought CAD 720 Sold USD 551 @ 1.3076	11-Feb-2019	(31)
Bought CAD 296 Sold USD 225 @ 1.3155	11-Feb-2019	(11)
Bought CAD 36 Sold USD 28 @ 1.3137	11-Feb-2019	(1)
Bought CAD 300 Sold USD 227 @ 1.3242	11-Feb-2019	(9)
Bought CAD 450 Sold USD 344 @ 1.3089	12-Feb-2019	(19)
Bought CAD 670 Sold USD 499 @ 1.3424	12-Feb-2019	(11)
Bought CAD 700 Sold USD 514 @ 1.3616	12-Feb-2019	(1)
Bought CAD 4 702 Sold USD 3 593 @ 1.3088	13-Feb-2019	(197)
Bought CAD 400 Sold USD 299 @ 1.3386	07-Mar-2019	(7)
Bought CAD 4 585 Sold USD 3 464 @ 1.3236	13-Mar-2019	(136)
Bought CAD 1 384 Sold USD 1 035 @ 1.3378	19-Mar-2019	(26)
Bought CAD 179 Sold USD 134 @ 1.3357	19-Mar-2019	(4)
Bought CAD 4 007 Sold USD 2 991 @ 1.3398	19-Mar-2019	(69)
Bought CAD 4 283 Sold USD 3 217 @ 1.3313	21-Mar-2019	(101)
		\$ (1 663)
TOTAL FOREIGN EXCHANGE		\$ (1 590)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



**RBC QUBE LOW VOLATILITY U.S. EQUITY
CURRENCY NEUTRAL FUND**

Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 42 796	\$ 26 228
Cash	—	1
Subscriptions receivable	131	99
Unrealized gain on foreign exchange contracts	73	348
Dividends receivable, interest accrued and other assets	56	38
TOTAL ASSETS	43 056	26 714
LIABILITIES		
Due to investment dealers	147	81
Redemptions payable	28	12
Unrealized loss on foreign exchange contracts	1 663	31
Distributions payable	2	1
Accounts payable and accrued expenses	28	19
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 868	144
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 41 188	\$ 26 570
Investments at cost	\$ 40 417	\$ 24 490
NAV		
SERIES A	\$ 10 295	\$ 7 668
ADVISOR SERIES	\$ 618	\$ 600
SERIES T5	\$ 142	\$ 137
SERIES D	\$ 3 617	\$ 2 661
SERIES F	\$ 12 506	\$ 7 910
SERIES FT5	\$ 362	\$ 55
SERIES O	\$ 13 648	\$ 7 539
NAV PER UNIT		
SERIES A	\$ 11.64	\$ 11.80
ADVISOR SERIES	\$ 11.64	\$ 11.80
SERIES T5	\$ 10.48	\$ 11.17
SERIES D	\$ 11.76	\$ 11.89
SERIES F	\$ 11.73	\$ 11.86
SERIES FT5	\$ 10.92	\$ 11.49
SERIES O	\$ 11.73	\$ 11.85

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 754	\$ 403
Interest for distribution purposes	4	1
Income from investment trusts	14	—
Derivative income	(1 420)	537
Net realized gain (loss) on investments	1 764	761
Change in unrealized gain (loss) on investments	(1 266)	1 574
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(150)	3 276
Securities lending revenue (see note 7 in the generic notes)	1	1
Net gain (loss) on foreign cash balances	(4)	(13)
TOTAL OTHER INCOME (LOSS)	(3)	(12)
TOTAL INCOME (LOSS)	(153)	3 264
EXPENSES (see notes – Fund Specific Information)		
Management fees	262	113
Administration fees	25	11
Independent Review Committee costs	2	3
GST/HST	28	12
Transaction costs	6	5
Withholding tax	102	55
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	424	196
INCREASE (DECREASE) IN NAV	\$ (577)	\$ 3 068
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (152)	\$ 612
ADVISOR SERIES	\$ (12)	\$ 75
SERIES T5	\$ 4	\$ 6
SERIES D	\$ (41)	\$ 265
SERIES F	\$ (103)	\$ 868
SERIES FT5	\$ (3)	\$ 9
SERIES O	\$ (270)	\$ 1 233
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.18)	\$ 1.87
ADVISOR SERIES	\$ (0.22)	\$ 1.88
SERIES T5	\$ 0.35	\$ 1.42
SERIES D	\$ (0.16)	\$ 1.99
SERIES F	\$ (0.12)	\$ 2.01
SERIES FT5	\$ (0.66)	\$ 1.89
SERIES O	\$ (0.32)	\$ 2.08

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (577)	\$ 3 068
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 759)	(758)
Change in unrealized loss (gain) on investments	1 266	(1 574)
(Increase) decrease in accrued receivables	(18)	(20)
Increase (decrease) in accrued payables	9	17
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(76 865)	(56 824)
Proceeds from sale and maturity of investments	62 763	42 393
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(15 181)	(13 698)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	27 482	17 974
Cash paid on redemption of redeemable units	(12 120)	(4 143)
Distributions paid to holders of redeemable units	(182)	(226)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 15 180	\$ 13 605
Net increase (decrease) in cash for the period	(1)	(93)
Cash (bank overdraft), beginning of period	1	94
CASH (BANK OVERDRAFT), END OF PERIOD	\$ —	\$ 1
Interest received (paid)	\$ 4	\$ 1
Dividends received, net of withholding taxes	\$ 634	\$ 328

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 668	\$ 550	\$ 600	\$ 411	\$ 137	\$ 117	\$ 2 661	\$ 500
INCREASE (DECREASE) IN NAV	(152)	612	(12)	75	4	6	(41)	265
Early redemption fees	—	—	—	—	—	—	—	1
Proceeds from redeemable units issued	6 283	7 763	247	184	136	279	3 039	2 933
Reinvestments of distributions to holders of redeemable units	11	308	—	24	1	4	20	122
Redemption of redeemable units	(3 504)	(1 252)	(216)	(69)	(131)	(263)	(2 039)	(1 035)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 790	6 819	31	139	6	20	1 020	2 021
Distributions from net income	—	—	—	—	—	—	(19)	(15)
Distributions from net gains	(11)	(313)	(1)	(25)	—	(6)	(4)	(110)
Distributions from capital	—	—	—	—	(5)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(11)	(313)	(1)	(25)	(5)	(6)	(23)	(125)
NET INCREASE (DECREASE) IN NAV	2 627	7 118	18	189	5	20	956	2 161
NAV AT END OF PERIOD	\$ 10 295	\$ 7 668	\$ 618	\$ 600	\$ 142	\$ 137	\$ 3 617	\$ 2 661

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 910	\$ 2 440	\$ 55	\$ 48	\$ 7 539	\$ 5 750	\$ 26 570	\$ 9 816
INCREASE (DECREASE) IN NAV	(103)	868	(3)	9	(270)	1 233	(577)	3 068
Early redemption fees	—	—	—	—	—	—	—	1
Proceeds from redeemable units issued	10 015	5 940	315	—	8 226	1 398	28 261	18 497
Reinvestments of distributions to holders of redeemable units	72	273	—	1	90	372	194	1 104
Redemption of redeemable units	(5 277)	(1 205)	—	—	(1 716)	(779)	(12 883)	(4 603)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	4 810	5 008	315	1	6 600	991	15 572	14 999
Distributions from net income	(98)	(64)	(1)	(1)	(206)	(114)	(324)	(194)
Distributions from net gains	(13)	(342)	—	(2)	(15)	(321)	(44)	(1 119)
Distributions from capital	—	—	(4)	—	—	—	(9)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(111)	(406)	(5)	(3)	(221)	(435)	(377)	(1 313)
NET INCREASE (DECREASE) IN NAV	4 596	5 470	307	7	6 109	1 789	14 618	16 754
NAV AT END OF PERIOD	\$ 12 506	\$ 7 910	\$ 362	\$ 55	\$ 13 648	\$ 7 539	\$ 41 188	\$ 26 570

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Health Care	20.8	15.3
Utilities	18.1	16.3
Information Technology	17.7	20.1
Consumer Staples	15.4	16.4
Consumer Discretionary	10.2	7.3
Financials	9.0	7.6
Industrials	5.9	8.0
Real Estate	1.9	0.7
Materials	1.7	3.2
Communication Services	1.5	1.0
Energy	0.9	2.2
Cash/Other	(3.1)	1.9
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 32-month (December 31, 2017 – 20-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P Composite 1500 Total Return Index (hedged to CAD)	+ or - 0.7	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	42 483	–	–	42 483
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	313	–	313
Derivatives – assets	–	73	–	73
Derivatives – liabilities	–	(1 663)	–	(1 663)
Total financial instruments	42 483	(1 277)	–	41 206
% of total portfolio	103.1	(3.1)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	26 077	–	–	26 077
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	151	–	151
Derivatives – assets	–	348	–	348
Derivatives – liabilities	–	(31)	–	(31)
Total financial instruments	26 077	468	–	26 545
% of total portfolio	98.2	1.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series T5	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series FT5	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



**RBC QUBE LOW VOLATILITY U.S. EQUITY
CURRENCY NEUTRAL FUND**

December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	105	104
Advisor Series	105	104
Series T5	116	111
Series D	106	105
Series F	107	106
Series FT5	115	109
Series O	434 998	428 032
Value of all units	5 109	5 080

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	10
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	650	52
Issued number of units	523	679
Reinvested number of units	1	26
Redeemed number of units	(290)	(107)
Ending number of units	884	650
Advisor Series		
Opening units	51	39
Issued number of units	21	16
Reinvested number of units	–	2
Redeemed number of units	(19)	(6)
Ending number of units	53	51
Series T5		
Opening units	12	12
Issued number of units	13	24
Reinvested number of units	–	–
Redeemed number of units	(11)	(24)
Ending number of units	14	12

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	224	47
Issued number of units	251	256
Reinvested number of units	2	10
Redeemed number of units	(169)	(89)
Ending number of units	308	224
Series F		
Opening units	667	232
Issued number of units	835	514
Reinvested number of units	6	23
Redeemed number of units	(442)	(102)
Ending number of units	1 066	667
Series FT5		
Opening units	5	5
Issued number of units	28	–
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	33	5
Series O		
Opening units	636	548
Issued number of units	660	122
Reinvested number of units	8	31
Redeemed number of units	(140)	(65)
Ending number of units	1 164	636

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	6	100	5	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 079	1 055
Fair value of collateral received	1 101	1 076



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1	100	1	100
RBC IS (paid)	–	(25)	–	(27)
Tax withheld	–	(3)	–	(2)
Fund revenue	1	72	1	71

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	73	(1 663)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	73	(1 663)
Related amounts not set-off Collateral (received) pledged	(73)	73
Net amount	–	(1 590)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	348	(31)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	348	(31)
Related amounts not set-off Collateral (received) pledged	(26)	26
Net amount	322	(5)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. EQUITY VALUE FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
1 228	Alphabet Inc., Class A	\$ 1 293	\$ 1 753	
4 855	AT&T Inc.	285	206	
910	Charter Communications Inc.	288	354	
11 579	Comcast Corp., Class A	482	538	
1 337	Electronic Arts Inc.	200	144	
3 431	Facebook Inc., Class A	676	615	
3 631	The Walt Disney Company	529	543	
4 855	Verizon Communications Inc.	205	239	
		3 958	4 392	9.1
Consumer Discretionary				
3 788	Carnival Corp.	301	255	
2 680	Dollar Tree Inc.	284	330	
4 102	eBay Inc.	184	157	
2 442	General Motors Co.	119	112	
2 106	Home Depot Inc.	375	494	
4 237	Lowe's Companies	532	534	
2 585	McDonald's Corp.	428	627	
1 420	Mohawk Industries Inc.	390	227	
2 251	Nike Inc.	172	228	
2 270	PVH Corp.	329	288	
3 100	Ross Stores Inc.	348	352	
4 857	Tapestry Inc.	295	224	
2 067	Target Corporation	218	186	
		3 975	4 014	8.3
Consumer Staples				
1 362	Colgate-Palmolive Company	119	111	
3 063	Conagra Brands Inc.	145	89	
753	Costco Wholesale Corp.	164	209	
1 504	Coty Inc.	36	13	
2 260	General Mills Inc.	139	120	
897	Kimberly-Clark Corp.	140	140	
7 371	Mondelez International Inc.	424	403	
2 413	PepsiCo Inc.	324	364	
4 908	Philip Morris International Inc.	610	447	
6 707	The Coca-Cola Co.	385	434	
981	The Kraft Heinz Co.	96	58	
3 769	The Kroger Co.	126	142	
5 095	The Procter & Gamble Co.	523	640	
1 724	Tyson Foods Inc.	147	126	
1 139	Walgreens Boots Alliance Inc.	123	106	
4 934	Walmart Inc.	516	627	
		4 017	4 029	8.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
4 906	Chevron Corp.	\$ 645	\$ 729	
5 895	ConocoPhillips	416	502	
2 705	EOG Resources Inc.	334	322	
5 160	Exxon Mobil Corp.	569	481	
3 663	Halliburton Co.	242	133	
5 958	Kinder Morgan Inc.	140	125	
4 031	Marathon Petroleum Corp.	390	325	
1 582	Pioneer Natural Resources Co.	299	284	
2 945	Valero Energy Corp.	389	301	
		3 424	3 202	6.6
Financials				
1 427	American International Group Inc.	105	77	
1 580	Aon Plc.	285	314	
24 064	Bank of America Corp.	536	810	
3 382	Berkshire Hathaway Inc., Class B	600	944	
257	BlackRock Inc.	142	138	
1 530	Capital One Financial Corp.	195	158	
1 580	Chubb Ltd.	268	279	
3 150	Citigroup Inc.	254	224	
1 531	Comerica Inc.	196	144	
2 220	Discover Financial Services	176	179	
3 364	E*TRADE Financial Corp.	249	202	
4 695	Invesco Ltd.	190	107	
8 254	JPMorgan Chase & Co.	696	1 101	
2 096	Marsh & McLennan Companies Inc.	196	228	
2 012	MetLife Inc.	120	113	
6 538	Morgan Stanley	397	354	
1 404	PNC Bank Corp.	235	224	
1 620	State Street Corp.	196	139	
3 014	Suntrust Banks Inc.	176	208	
1 889	The Charles Schwab Corporation	110	107	
1 882	U.S. Bancorp	120	117	
9 655	Wells Fargo & Company	659	608	
		6 101	6 775	14.0
Health Care				
1 318	Anthem Inc.	464	473	
620	Biogen Inc.	281	255	
4 588	Bristol-Myers Squibb Co.	346	325	
2 930	CVS Health Corp.	305	262	
2 427	Danaher Corp.	216	342	
1 964	Edwards Lifesciences Corp.	316	411	
2 555	Eli Lilly & Co.	268	404	
5 967	Johnson & Johnson	887	1 051	
4 445	Medtronic Plc.	394	552	
4 310	Merck & Co. Inc.	296	450	
16 516	Pfizer Inc.	694	984	
999	Thermo Fisher Scientific Inc.	198	305	
2 915	UnitedHealth Group Incorporated	401	992	
		5 066	6 806	14.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
1 578	Boeing Co.	\$ 519	\$ 695	
1 745	Caterpillar Inc.	350	303	
4 297	Delta Air Lines Inc.	344	293	
2 758	Eaton Corp Plc.	251	259	
3 927	Emerson Electric Co.	350	320	
540	Fortive Corp.	33	50	
2 465	Honeywell International Inc.	402	445	
880	Northrop Grumman Corp.	273	294	
410	Resideo Technologies Inc.	15	12	
1 109	Rockwell Automation Inc.	201	228	
2 687	Southwest Airlines	217	171	
2 098	Stanley Black & Decker Inc.	318	343	
2 571	Union Pacific Corp.	433	485	
3 317	United Technologies Corp.	515	482	
1 860	Waste Management Inc.	225	226	
		4 446	4 606	9.5
Information Technology				
1 067	Accenture Plc., Class A	144	205	
7 736	Apple Inc.	1 147	1 668	
651	Broadcom Inc.	194	226	
8 271	Cisco Systems Inc.	310	490	
1 016	Cognizant Technology Solutions Corp., Class A	83	88	
1 971	DXC Technology Co.	214	143	
9 327	Hewlett Packard Enterprise Co.	206	168	
2 549	HP Inc.	86	71	
10 480	Intel Corp.	502	672	
1 542	International Business Machines	307	239	
1 414	Mastercard Inc.	164	364	
1 939	Micron Technology Inc.	118	84	
14 434	Microsoft Corp.	1 063	2 003	
4 983	Oracle Corporation	275	307	
2 522	QUALCOMM Inc.	187	196	
2 768	Texas Instruments Inc.	278	357	
2 737	Visa Inc., Class A	288	493	
1 252	Xilinx Inc.	99	146	
		5 665	7 920	16.3
Materials				
1 686	Air Products & Chemicals Inc.	338	368	
5 252	DowDuPont Inc.	381	383	
1 501	LyondellBasell Industries N.V.	211	170	
3 712	Newmont Mining Corporation	189	176	
		1 119	1 097	2.3
Real Estate				
1 011	Crown Castle International Corp. Real Estate Investment Trust	139	150	
1 419	Extra Space Storage Inc. Real Estate Investment Trust	160	175	
1 742	Federal Realty Investment Trust	285	281	
975	ProLogis Inc. Trust	76	78	
673	Simon Property Group Inc.	136	154	
1 328	SL Green Realty Corp. Real Estate Investment Trust	189	143	
		985	981	2.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
1 172	Dominion Energy Inc.	\$ 118	\$ 114	
944	Edison International	84	73	
3 262	FirstEnergy Corporation	129	167	
616	NextEra Energy Inc.	104	146	
3 610	PPL Corporation	139	140	
3 364	Public Service Enterprise Group	196	239	
3 108	Xcel Energy Inc.	192	209	
		962	1 088	2.2
TOTAL COMMON EQUITIES		39 718	44 910	92.7
SHORT-TERM INVESTMENTS*				
2 502	Bank of Nova Scotia USD	\$ 3 417	\$ 3 416	
TOTAL SHORT-TERM INVESTMENTS		3 417	3 416	7.1
TOTAL INVESTMENTS		\$ 43 135	48 326	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
				101
				0.2
				\$ 48 427
				100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 48 326	\$ 49 251
Cash	17	14
Subscriptions receivable	102	71
Dividends receivable, interest accrued and other assets	51	23
TOTAL ASSETS	48 496	49 359
LIABILITIES		
Due to investment dealers	—	1 818
Redemptions payable	21	38
Accounts payable and accrued expenses	48	50
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	69	1 906
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 48 427	\$ 47 453
Investments at cost	\$ 43 135	\$ 41 760
NAV		
SERIES A	\$ 18 119	\$ 19 290
ADVISOR SERIES	\$ 3 006	\$ 3 572
SERIES D	\$ 4 680	\$ 4 169
SERIES F	\$ 14 491	\$ 15 762
SERIES O	\$ 8 131	\$ 4 660
NAV PER UNIT		
SERIES A	\$ 14.40	\$ 14.66
ADVISOR SERIES	\$ 14.41	\$ 14.67
SERIES D	\$ 14.54	\$ 14.79
SERIES F	\$ 14.58	\$ 14.83
SERIES O	\$ 14.59	\$ 14.84

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 999	\$ 765
Interest for distribution purposes	56	34
Income from investment trusts	51	—
Derivative income	(2)	(1)
Net realized gain (loss) on investments	1 541	1 428
Change in unrealized gain (loss) on investments	(2 300)	3 587
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	345	5 813
Securities lending revenue		
(see note 7 in the generic notes)	3	1
Net gain (loss) on foreign cash balances	293	(174)
TOTAL OTHER INCOME (LOSS)	296	(173)
TOTAL INCOME (LOSS)	641	5 640
EXPENSES (see notes – Fund Specific Information)		
Management fees	521	450
Administration fees	48	41
Independent Review Committee costs	2	3
GST/HST	59	53
Transaction costs	11	13
Withholding tax	127	102
Expenses reimbursed by manager	—	(3)
TOTAL EXPENSES	768	659
INCREASE (DECREASE) IN NAV	\$ (127)	\$ 4 981
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (183)	\$ 1 947
ADVISOR SERIES	\$ (16)	\$ 435
SERIES D	\$ (34)	\$ 439
SERIES F	\$ 135	\$ 1 866
SERIES O	\$ (29)	\$ 294
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.14)	\$ 1.60
ADVISOR SERIES	\$ (0.07)	\$ 1.58
SERIES D	\$ (0.11)	\$ 1.70
SERIES F	\$ 0.13	\$ 1.78
SERIES O	\$ (0.08)	\$ 1.64



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (127)	\$ 4 981
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 530)	(1 417)
Change in unrealized loss (gain) on investments	2 300	(3 587)
(Increase) decrease in accrued receivables	(28)	15
Increase (decrease) in accrued payables	(2)	11
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(691 826)	(786 322)
Proceeds from sale and maturity of investments	690 163	778 268
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 050)	(8 051)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	16 937	16 774
Cash paid on redemption of redeemable units	(15 748)	(8 668)
Distributions paid to holders of redeemable units	(136)	(56)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 1 053	\$ 8 050
Net increase (decrease) in cash for the period	3	(1)
Cash (bank overdraft), beginning of period	14	15
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 17	\$ 14
Interest received (paid)	\$ 57	\$ 33
Dividends received, net of withholding taxes	\$ 851	\$ 678

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 290	\$ 14 219	\$ 3 572	\$ 3 864	\$ 4 169	\$ 2 928	\$ 15 762	\$ 12 448
INCREASE (DECREASE) IN NAV	(183)	1 947	(16)	435	(34)	439	135	1 866
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	7 000	7 315	159	641	2 505	1 834	4 018	3 964
Reinvestments of distributions to holders of redeemable units	130	—	21	—	72	18	158	51
Redemption of redeemable units	(7 984)	(4 191)	(708)	(1 368)	(1 960)	(1 032)	(5 328)	(2 472)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(854)	3 124	(528)	(727)	617	820	(1 152)	1 543
Distributions from net income	—	—	—	—	(36)	(18)	(146)	(95)
Distributions from net gains	(134)	—	(22)	—	(36)	—	(108)	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(134)	—	(22)	—	(72)	(18)	(254)	(95)
NET INCREASE (DECREASE) IN NAV	(1 171)	5 071	(566)	(292)	511	1 241	(1 271)	3 314
NAV AT END OF PERIOD	\$ 18 119	\$ 19 290	\$ 3 006	\$ 3 572	\$ 4 680	\$ 4 169	\$ 14 491	\$ 15 762

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 660	\$ 886	\$ 47 453	\$ 34 345
INCREASE (DECREASE) IN NAV	(29)	294	(127)	4 981
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	4 916	4 148	18 598	17 902
Reinvestments of distributions to holders of redeemable units	156	45	537	114
Redemption of redeemable units	(1 381)	(656)	(17 361)	(9 719)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 691	3 537	1 774	8 297
Distributions from net income	(134)	(57)	(316)	(170)
Distributions from net gains	(57)	—	(357)	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(191)	(57)	(673)	(170)
NET INCREASE (DECREASE) IN NAV	3 471	3 774	974	13 108
NAV AT END OF PERIOD	\$ 8 131	\$ 4 660	\$ 48 427	\$ 47 453

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	16.3	23.0
Health Care	14.1	10.1
Financials	14.0	15.4
Industrials	9.5	9.8
Communication Services	9.1	0.9
Consumer Discretionary	8.3	10.5
Consumer Staples	8.3	8.4
Energy	6.6	7.1
Materials	2.3	2.1
Utilities	2.2	2.4
Real Estate	2.0	1.8
Cash/Other	7.3	8.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.9	99.9
Total	99.9	99.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	44 910	–	–	44 910
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 416	–	3 416
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	44 910	3 416	–	48 326
% of total portfolio	92.9	7.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	43 432	–	–	43 432
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	5 819	–	5 819
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	43 432	5 819	–	49 251
% of total portfolio	88.2	11.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.60%	0.10%
Advisor Series	1.60%	0.10%
Series D	0.85%	0.10%
Series F	0.60%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	106
Series F	111	109
Series O	95	92
Value of all units	5	5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 316	1 091
Issued number of units	460	527
Reinvested number of units	9	—
Redeemed number of units	(526)	(302)
Ending number of units	1 259	1 316

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	243	296
Issued number of units	12	46
Reinvested number of units	1	—
Redeemed number of units	(47)	(99)
Ending number of units	209	243

Series D		
Opening units	282	224
Issued number of units	163	132
Reinvested number of units	5	1
Redeemed number of units	(128)	(75)
Ending number of units	322	282

Series F		
Opening units	1 063	948
Issued number of units	261	288
Reinvested number of units	11	3
Redeemed number of units	(341)	(176)
Ending number of units	994	1 063

Series O		
Opening units	314	68
Issued number of units	325	290
Reinvested number of units	11	3
Redeemed number of units	(93)	(47)
Ending number of units	557	314

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	11	100	13	100
Related-party brokerage commissions*	2	18	1	8
Commission arrangements†	2	18	3	23

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 574	1 923
Fair value of collateral received	1 606	1 961



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	5	100	2	100
RBC IS (paid)	(2)	(25)	(1)	(28)
Tax withheld	–	(2)	–	(5)
Fund revenue	3	73	1	67

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Retirement 2020 Portfolio	1.1	1.1
RBC Retirement 2025 Portfolio	2.3	1.3
RBC Retirement 2030 Portfolio	3.1	1.8
RBC Retirement 2035 Portfolio	2.2	1.2
RBC Retirement 2040 Portfolio	1.7	0.6
RBC Retirement 2045 Portfolio	0.8	0.3
RBC Retirement 2050 Portfolio	0.2	–
RBC U.S. Equity Value Class	2.0	1.4
Total	13.4	7.7



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. INDEX FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNITED STATES EQUITIES				
Communication Services				
21 729	Activision Blizzard Inc.	\$ 1 147	\$ 1 383	
8 750	Alphabet Inc., Class A	7 455	12 493	
8 914	Alphabet Inc., Class C	3 883	12 622	
211 368	AT&T Inc.	8 923	8 235	
9 223	CBS Corp.	416	550	
28 693	CenturyTel Inc.	962	593	
5 111	Charter Communications Inc.	1 879	1 989	
133 006	Comcast Corp., Class A	3 378	6 183	
3 756	Discovery Inc., Class A	194	127	
9 620	Discovery Inc., Class C	207	303	
6 400	DISH Network Corp., Class A	536	218	
8 996	Electronic Arts Inc.	500	969	
69 617	Facebook Inc., Class A	7 459	12 480	
2 080	IAC/InterActiveCorp.	334	520	
10 380	Interpublic Group of Companies Inc.	260	292	
960	Liberty Broadband Corp., Class A	105	94	
3 320	Liberty Broadband Corp., Class C	393	326	
21 200	Liberty Global Plc.	857	603	
7 100	Liberty Media Corp. - Liberty SiriusXM	375	358	
12 162	Netflix Inc.	1 262	4 444	
9 589	News Corp., Class A	127	149	
3 100	News Corp., Class B	53	49	
6 200	Omnicom Group	413	620	
38 600	Sirius XM Holdings Inc.	270	301	
16 600	Sprint Corp.	164	132	
3 060	Take-Two Interactive Software Inc.	430	430	
43 414	The Walt Disney Company	3 521	6 500	
8 770	T-Mobile US Inc.	677	762	
2 866	TripAdvisor Inc.	180	211	
30 003	Twenty-First Century Fox Inc.	860	1 971	
14 716	Twenty-First Century Fox Inc., Class B	622	960	
20 430	Twitter Inc.	525	802	
120 269	Verizon Communications Inc.	6 586	9 231	
10 917	Viacom Inc.	619	383	
8 170	Yandex N.V.	354	305	
3 400	Zillow Group Inc.	188	147	
2 270	Zillow Group Inc., Class A	123	97	
		56 237	87 832	10.0
Consumer Discretionary				
2 500	Adient Plc.	266	51	
1 938	Advance Auto Parts Inc.	406	417	
11 889	Amazon.com, Inc.	7 357	24 378	
7 612	Aptiv Plc.	467	640	
7 770	ARAMARK Corp.	395	307	
2 300	Autoliv Inc.	356	221	
1 700	AutoNation Inc.	103	83	
752	Autozone Inc.	327	861	
6 966	Best Buy Co. Inc.	262	504	
1 368	Booking Holdings Inc.	1 646	3 218	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
5 675	Borg-Warner Automotive Inc.	\$ 268	\$ 269	
4 927	CarMax Inc.	208	422	
11 484	Carnival Corp.	575	773	
691	Chipotle Mexican Grill Inc., Class A	332	407	
10 329	D.R. Horton Inc.	338	489	
3 596	Darden Restaurants Inc.	222	490	
7 941	Dollar General Corp.	555	1 172	
6 533	Dollar Tree Inc.	460	806	
1 300	Domino's Pizza Inc.	329	440	
26 509	eBay Inc.	559	1 016	
3 323	Expedia Group Inc.	326	512	
3 550	Foot Locker Inc.	296	258	
110 613	Ford Motor Company	1 773	1 155	
6 820	Gap Inc.	269	240	
3 701	Garmin Ltd.	192	320	
2 101	Garrett Motion Inc.	50	35	
37 367	General Motors Co.	1 531	1 706	
7 500	Gentex Corp.	191	207	
4 253	Genuine Parts Co.	360	558	
6 691	Goodyear Tire & Rubber Co.	175	186	
5 594	H&R Block, Inc.	156	194	
9 750	Hanesbrands Inc.	414	167	
4 612	Harley-Davidson Inc.	274	215	
3 217	Hasbro Inc.	207	357	
8 340	Hilton Worldwide Holdings Inc.	759	818	
33 527	Home Depot Inc.	3 236	7 868	
4 602	Kohl's Corp.	283	417	
6 807	L Brands Inc.	420	238	
10 280	Las Vegas Sands Corp.	842	730	
1 800	Lear Corp.	392	302	
3 398	Leggett & Platt Inc.	121	166	
8 444	Lennar Corp.	477	451	
9 930	LKQ Corp.	408	322	
23 409	Lowe's Companies	1 188	2 952	
2 960	Lululemon Athletica Inc.	275	492	
9 592	Macy's Inc.	413	390	
8 139	Marriott International Inc., Class A	547	1 206	
8 821	Mattel Inc.	316	120	
22 543	McDonald's Corp.	2 311	5 465	
1 100	MercadoLibre Inc.	363	440	
14 200	MGM Mirage	606	470	
4 201	Michael Kors Holdings Ltd.	361	217	
1 705	Mohawk Industries Inc.	302	272	
13 212	Newell Brands Inc.	607	335	
36 490	Nike Inc.	1 509	3 693	
3 817	Nordstrom Inc.	231	243	
6 350	Norwegian Cruise Line Holdings Ltd.	439	367	
90	NVR Inc.	325	299	
2 304	O'Reilly Automotive Inc.	326	1 083	
1 600	Polaris Industries Inc.	212	168	
7 985	Pulte Corp.	143	283	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Discretionary (cont.)				
2 056	PVH Corp.	\$ 257	\$ 261	
12 500	Qurate Retail Inc.	374	333	
1 425	Ralph Lauren Corp.	208	201	
10 798	Ross Stores Inc.	438	1 226	
4 721	Royal Caribbean Cruises Ltd.	459	630	
35 592	Starbucks Corp.	1 401	3 131	
7 956	Tapestry Inc.	393	367	
15 644	Target Corporation	1 094	1 411	
3 900	Tesla Inc.	1 702	1 772	
3 446	Tiffany and Co.	324	379	
36 394	TJX Companies Inc.	969	2 223	
4 000	Toll Brothers Inc.	209	180	
3 360	Tractor Supply Co.	285	383	
1 730	Ulta Salon, Cosmetics & Fragrance, Inc.	487	578	
4 592	Under Armour Inc.	1	101	
4 560	Under Armour Inc., Class A	325	110	
9 295	V.F. Corporation	496	905	
1 100	Vail Resorts Inc.	401	317	
1 991	Whirlpool Corp.	273	290	
2 822	Wyndham Hotels & Resorts Inc.	90	175	
2 822	Wyndham Worldwide Corp.	71	138	
2 866	Wynn Resorts Ltd.	457	387	
9 011	Yum! Brands, Inc.	585	1 131	
9 800	Yum! China Holdings Inc.	493	449	
		50 849	89 959	10.3

Consumer Staples				
54 505	Altria Group Inc.	2 286	3 675	
15 774	Archer Daniels Midland Co.	625	882	
8 552	Brown-Forman Corp., Class B	381	556	
3 700	Bunge Ltd.	320	270	
5 154	Campbell Soup Company	266	232	
6 760	Church & Dwight Co. Inc.	401	607	
3 866	Clorox Company	426	814	
5 880	Coca-Cola European Partners Plc.	317	368	
25 115	Colgate-Palmolive Company	1 603	2 041	
13 773	Conagra Brands Inc.	539	402	
4 470	Constellation Brands Inc.	410	981	
12 627	Costco Wholesale Corp.	1 694	3 512	
12 124	Coty Inc.	319	109	
6 487	Estée Lauder Companies Inc., Class A	525	1 152	
17 726	General Mills Inc.	886	942	
3 520	Herbalife Nutrition Ltd.	153	283	
8 408	Hormel Foods Corp.	231	490	
1 900	Ingredion Inc.	292	237	
7 018	Kellogg Co.	468	547	
4 836	Keurig Dr Pepper Inc.	285	169	
10 120	Kimberly-Clark Corp.	1 101	1 575	
4 540	Lamb Weston Holdings Inc.	299	456	
3 679	McCormick & Co. Inc.	310	699	
5 200	Molson Coors Brewing Co., Class B	398	399	
41 756	Mondelez International Inc.	1 404	2 282	
11 360	Monster Beverage Corp.	480	763	
41 260	PepsiCo Inc.	3 814	6 223	
44 772	Philip Morris International Inc.	4 005	4 081	

Holdings	Security	Cost	Fair Value	% of Net Assets
Consumer Staples (cont.)				
13 830	Sysco Corp.	\$ 575	\$ 1 183	
110 865	The Coca-Cola Co.	4 873	7 167	
3 913	The Hershey Co.	345	573	
3 171	The J.M. Smucker Company	346	405	
17 168	The Kraft Heinz Co.	1 024	1 009	
22 480	The Kroger Co.	532	844	
72 984	The Procter & Gamble Co.	6 490	9 162	
8 116	Tyson Foods Inc.	336	592	
24 441	Walgreens Boots Alliance Inc.	1 664	2 281	
41 424	Walmart Inc.	3 318	5 268	
		43 741	63 231	7.2

Energy				
14 840	Anadarko Petroleum Corp.	1 180	888	
6 100	Antero Resources Corp.	155	78	
10 424	Apache Corp.	833	374	
15 718	Baker Hughes a GE Co.	798	461	
12 420	Cabot Oil & Gas Corp.	326	379	
7 120	Cheniere Energy Inc.	460	575	
55 385	Chevron Corp.	6 405	8 228	
2 480	Cimarex Energy Co.	368	209	
5 650	Concho Resources Inc.	869	792	
33 871	ConocoPhillips	2 112	2 882	
2 300	Continental Resources Inc.	110	125	
1 200	Core Laboratories N.V.	146	97	
14 391	Devon Energy Corporation	776	442	
4 800	Diamondback Energy Inc.	697	608	
16 642	EOG Resources Inc.	1 402	1 981	
7 382	EQT Corp.	541	190	
5 905	Equitrans Midstream Corp.	154	161	
123 026	Exxon Mobil Corp.	11 368	11 457	
25 075	Halliburton Co.	1 164	909	
2 813	Helmerich & Payne	186	184	
7 538	Hess Corp.	500	417	
4 700	HollyFrontier Corp.	214	328	
55 340	Kinder Morgan Inc.	2 145	1 162	
23 604	Marathon Oil Corp.	588	462	
19 476	Marathon Petroleum Corp.	1 141	1 569	
4 300	Murphy Oil Corp.	143	137	
10 911	National Oilwell Varco Inc.	647	383	
5 082	Newfield Exploration Company	224	102	
14 131	Noble Energy Inc.	722	362	
22 231	Occidental Petroleum Corp.	1 836	1 863	
11 926	ONEOK, Inc.	713	878	
12 040	Phillips 66 Company	735	1 416	
4 933	Pioneer Natural Resources Co.	793	886	
6 261	Range Resources Corp.	343	82	
40 553	Schlumberger Ltd.	3 410	2 002	
6 610	Targa Resources Corp.	404	325	
34 263	The Williams Companies Inc.	1 385	1 031	
12 402	Valero Energy Corp.	558	1 270	
		46 551	45 695	5.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
1 450	Affiliated Managers Group Inc.	\$ 323	\$ 193	
22 236	Aflac Inc.	708	1 383	
15 110	AGNC Investment Corp. Real Estate Investment Trust	395	362	
400	Alleghany Corp.	278	340	
10 021	Allstate Corp.	584	1 131	
11 900	Ally Financial Inc.	364	368	
18 968	American Express Company	1 389	2 468	
25 442	American International Group Inc.	1 868	1 369	
3 947	Ameriprise Financial Inc.	322	562	
38 980	Annaly Mortgage Management Inc.	578	523	
6 934	Aon Plc.	507	1 376	
11 600	Arch Capital Group Ltd.	476	423	
5 470	Arthur J. Gallagher & Co.	374	550	
1 544	Assurant Inc.	92	189	
6 960	AXA Equitable Holdings Inc.	145	158	
2 200	Axis Capital Holdings Ltd.	157	155	
269 101	Bank of America Corp.	5 355	9 061	
27 195	Bank of New York Mellon Corp.	1 173	1 748	
22 402	BB&T Corporation	955	1 325	
13	Berkshire Hathaway Inc., Class A	4 654	5 437	
38 139	Berkshire Hathaway Inc., Class B	5 755	10 643	
3 555	BlackRock Inc.	1 184	1 908	
3 965	Brighthouse Financial Inc.	235	165	
6 200	Brown & Brown Inc.	189	233	
13 665	Capital One Financial Corp.	1 007	1 410	
3 100	CBOE Global Markets Inc.	338	414	
13 441	Chubb Ltd.	1 627	2 371	
4 540	Cincinnati Financial Corp.	261	480	
3 600	CIT Group Inc.	220	188	
71 744	Citigroup Inc.	4 842	5 098	
13 420	Citizens Financial Group Inc.	409	544	
10 279	CME Group Inc., Class A	1 116	2 640	
700	CNA Financial Corp.	47	42	
4 883	Comerica Inc.	271	458	
2 646	Commerce Bancshares Inc.	175	204	
9 811	Discover Financial Services	406	790	
7 978	E*TRADE Financial Corp.	215	478	
1 200	Everest Re Group Ltd.	405	357	
19 843	Fifth Third Bancorp	478	637	
4 650	First Republic Bank	601	552	
8 420	FNF Group	366	361	
8 883	Franklin Resources Inc.	419	360	
10 604	Hartford Financial Services Inc.	456	643	
32 493	Huntington Bancshares	395	529	
16 610	Intercontinental Exchange, Inc.	795	1 708	
10 679	Invesco Ltd.	356	244	
5 100	Janus Henderson Group Plc.	223	144	
8 379	Jefferies Financial Group Inc.	247	199	
97 090	JPMorgan Chase & Co.	6 689	12 954	
31 115	KeyCorp	492	628	
5 974	Lincoln National Corp.	292	418	
7 833	Loews Corp.	355	487	
4 358	M&T Bank Corp.	632	852	
410	Markel Corp.	561	579	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
14 869	Marsh & McLennan Companies Inc.	\$ 852	\$ 1 618	
23 968	MetLife Inc.	1 106	1 344	
4 845	Moody's Corp.	375	926	
38 553	Morgan Stanley	1 580	2 088	
2 440	MSCI Inc.	495	491	
12 600	New York Community Bancorp Inc.	204	162	
5 964	Northern Trust Corp.	441	681	
7 890	Old Republic International Corp.	200	222	
10 060	People's United Financial Inc.	187	198	
13 418	PNC Bank Corp.	1 257	2 141	
8 419	Principal Financial Group Inc.	426	508	
12 178	Prudential Financial Inc.	997	1 356	
3 600	Raymond James Financial Corp.	374	366	
32 183	Regions Financial Corp.	391	588	
1 100	RenaissanceRe Holdings Ltd.	190	201	
7 259	S&P Global Inc.	633	1 684	
3 280	Santander Consumer USA Holdings Inc.	70	79	
3 500	SEI Investments Co.	273	221	
10 916	State Street Corp.	800	940	
13 526	Suntrust Banks Inc.	647	932	
1 440	SVB Financial Group	497	373	
21 699	Synchrony Financial	801	695	
6 672	T. Rowe Price Group Inc.	506	841	
8 120	TD Ameritrade Holding Corp.	528	543	
35 395	The Charles Schwab Corporation	1 163	2 008	
10 154	The Goldman Sachs Group Inc.	1 929	2 316	
3 580	The Nasdaq Stock Market Inc.	192	399	
17 111	The Progressive Corp.	570	1 409	
3 222	Torchmark Corp.	154	328	
7 985	Travelers Cos. Inc.	723	1 305	
44 833	U.S. Bancorp	1 891	2 798	
5 985	Unum Group	207	240	
4 800	Voya Financial Inc.	238	263	
2 500	W.R. Berkley Corp.	210	252	
125 526	Wells Fargo & Company	5 989	7 899	
3 675	Willis Towers Watson Plc.	648	762	
5 239	Zions Bancorporation	171	291	

80 671 118 307 **13.5**

Health Care

49 311	Abbott Laboratories	2 260	4 869
43 682	AbbVie Inc.	2 509	5 498
1 200	Abiomed Inc.	597	533
9 703	Agilent Technologies Inc.	575	894
6 140	Alexion Pharmaceuticals Inc.	908	817
2 200	Align Technology Inc.	422	630
4 000	Alkermes Plc.	257	161
9 761	Allergan plc	2 628	1 781
2 390	Alnylam Pharmaceuticals Inc.	454	238
4 504	AmerisourceBergen Corp.	241	457
18 672	Amgen Inc.	2 447	4 965
7 465	Anthem Inc.	836	2 677
14 557	Baxter International Inc.	667	1 308
7 745	Becton Dickinson & Co.	1 311	2 382

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
5 906	Biogen Inc.	\$ 1 428	\$ 2 426	
4 920	BioMarin Pharmaceuticals Inc.	577	573	
39 497	Boston Scientific Corp.	704	1 906	
47 615	Bristol-Myers Squibb Co.	2 732	3 378	
9 063	Cardinal Health Inc.	662	552	
20 701	Celgene Corp.	1 654	1 813	
5 990	Centene Corp.	609	943	
8 842	Cerner Corp.	505	633	
10 876	Cigna Corp.	1 634	2 822	
1 490	Cooper Co. Inc.	383	518	
37 541	CVS Health Corp.	2 894	3 358	
17 807	Danaher Corp.	1 135	2 507	
4 067	DaVita Inc.	230	286	
6 367	Dentsply Sirona Inc.	416	323	
6 138	Edwards Lifesciences Corp.	426	1 284	
27 727	Eli Lilly & Co.	2 091	4 380	
37 658	Gilead Sciences Inc.	2 419	3 218	
8 040	HCA Healthcare Inc.	759	1 366	
4 300	Henry Schein Inc.	389	461	
7 820	Hologic Inc.	366	439	
3 947	Humana Inc.	533	1 544	
2 460	IDEXX Laboratories Inc.	387	625	
4 220	Illumina Inc.	1 029	1 729	
5 070	Incyte Corporation Ltd.	859	440	
3 209	Intuitive Surgical Inc.	732	2 099	
4 820	IQVIA Holdings Inc.	605	765	
1 600	Jazz Pharmaceuticals Plc.	299	271	
78 586	Johnson & Johnson	7 986	13 847	
3 071	Laboratory Corp. of America Holdings	378	530	
5 664	McKesson Corp.	796	854	
39 262	Medtronic Plc.	3 026	4 876	
77 128	Merck & Co. Inc.	4 609	8 052	
690	Mettler-Toledo International Inc.	362	532	
14 750	Mylan N.V.	641	552	
3 672	Perrigo Company Plc.	540	194	
169 967	Pfizer Inc.	5 987	10 129	
4 153	Quest Diagnostics Inc.	302	472	
2 316	Regeneron Pharmaceutical	842	1 182	
3 900	Resmed Inc.	379	606	
9 784	Stryker Corp.	987	2 094	
1 420	Teleflex Inc.	494	501	
11 660	Thermo Fisher Scientific Inc.	1 478	3 562	
28 005	UnitedHealth Group Incorporated	3 004	9 527	
2 450	Universal Health Services Inc., Class B	326	390	
2 689	Varian Medical Systems Inc.	207	416	
7 432	Vertex Pharmaceuticals Inc.	853	1 681	
2 133	Waters Corp.	226	549	
1 400	WellCare Health Plans Inc.	550	451	
6 002	Zimmer Biomet Holdings, Inc.	656	850	
14 041	Zoetis Inc.	650	1 640	
		77 848	131 356	15.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
16 547	3M Co.	\$ 2 343	\$ 4 304	
1 210	Acuity Brands Inc.	370	190	
3 700	AerCap Holdings N.V.	240	200	
830	Alaska Airgroup Inc.	71	69	
2 514	Allegion Plc.	139	274	
3 260	American Airlines Group Inc.	225	143	
6 769	Ametek Inc.	404	626	
11 914	Arconic Inc.	543	274	
15 703	Boeing Co.	2 250	6 914	
4 277	C.H. Robinson Worldwide Inc.	324	491	
16 652	Caterpillar Inc.	1 668	2 888	
2 559	Cintas Corp.	199	587	
5 700	Copart Inc.	387	372	
1 110	CoStar Group Inc.	535	511	
23 905	CSX Corp.	729	2 028	
4 269	Cummins Engine Inc.	489	779	
9 399	Deere & Co.	955	1 914	
4 790	Delta Air Lines Inc.	159	326	
4 393	Dover Corp.	230	426	
1 000	Dun & Bradstreet Corp.	148	195	
12 718	Eaton Corp Plc.	814	1 192	
18 169	Emerson Electric Co.	1 108	1 483	
3 380	Equifax Inc.	274	430	
5 386	Expeditors International of Washington, Inc.	288	501	
8 007	Fastenal Co.	359	572	
7 178	FedEx Corporation	1 083	1 580	
3 360	Flowserve Corp.	170	174	
3 579	Fluor Corp.	220	157	
8 848	Fortive Corp.	373	817	
4 020	Fortune Brands Home & Security Inc.	292	208	
7 407	General Dynamics Corp.	856	1 590	
248 282	General Electric Company	7 405	2 566	
1 365	Grainger (W.W.) Inc.	346	526	
3 549	Harris Corp.	320	652	
21 773	Honeywell International Inc.	2 167	3 927	
1 220	Huntington Ingalls Industries Inc.	406	317	
11 050	IHS Markit Ltd.	683	724	
9 855	Illinois Tool Works Inc.	947	1 704	
7 320	Ingersoll-Rand Plc., Class A	487	911	
2 680	J.B. Hunt Transport Services Inc.	299	340	
3 851	Jacobs Engineering Group Inc.	246	307	
27 419	Johnson Controls International Plc.	1 335	1 110	
2 809	Kansas City Southern Industries Inc.	332	366	
2 336	L3 Technologies Inc.	293	554	
7 109	Lockheed Martin Corporation	1 275	2 541	
1 800	Manpower Inc.	270	159	
8 596	Masco Corp.	192	343	
9 684	Nielsen Holdings Plc.	455	308	
8 295	Norfolk Southern Corp.	771	1 693	
4 650	Northrop Grumman Corp.	641	1 555	
4 804	nVent Electric Plc.	136	147	
2 050	Old Dominion Freight Line Inc.	400	346	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials (cont.)				
9 793	Paccar Inc.	\$ 573	\$ 764	
3 749	Parker Hannifin Corp.	420	763	
4 804	Pentair Plc.	289	248	
8 343	Raytheon Company	829	1 747	
6 465	Republic Services Inc.	253	636	
3 558	Resideo Technologies Inc.	130	100	
3 285	Robert Half International Inc.	145	257	
3 527	Rockwell Automation Inc.	359	725	
4 050	Rollins Inc.	218	199	
2 934	Roper Technologies Inc.	456	1 067	
4 500	Sensata Technologies Holding Plc.	272	275	
1 553	Snap-On Inc.	176	308	
3 997	Southwest Airlines	100	254	
4 526	Stanley Black & Decker Inc.	460	740	
2 238	Stericycle Inc.	244	112	
7 069	Textron Inc.	282	444	
1 450	TransDigm Group Inc.	525	673	
5 200	TransUnion	499	403	
21 354	Union Pacific Corp.	1 739	4 030	
1 970	United Continental Holdings Inc.	154	225	
20 241	United Parcel Service Inc.	2 110	2 695	
2 470	United Rentals Inc.	337	346	
23 346	United Technologies Corp.	2 564	3 393	
4 470	Verisk Analytics Inc.	489	665	
2 300	Wabtec Corp.	219	221	
12 586	Waste Management Inc.	720	1 529	
3 820	XPO Logistics Inc.	528	297	
5 282	Xylem Inc.	219	481	
		52 960	76 908	8.8

Information Technology				
18 517	Accenture Plc., Class A	1 851	3 565	
14 154	Adobe Inc.	1 168	4 374	
25 340	Advanced Micro Devices Inc.	469	639	
4 532	Akamai Technologies Inc.	238	378	
1 285	Alliance Data Systems Corp.	381	263	
3 800	Amdocs Ltd.	309	304	
8 452	Amphenol Corp., Class A	412	935	
10 787	Analog Devices Inc.	823	1 265	
2 300	Ansys Inc.	370	449	
138 887	Apple Inc.	13 708	29 946	
28 542	Applied Materials Inc.	747	1 277	
1 590	Arista Networks Inc.	393	457	
2 300	Arrow Electronics Inc.	236	217	
6 418	Autodesk Inc.	492	1 128	
12 653	Automatic Data Processing Inc.	1 024	2 266	
3 300	Avnet Inc.	167	162	
12 110	Broadcom Inc.	2 438	4 204	
3 530	Broadridge Financial Solutions Inc.	389	464	
7 600	Cadence Design Systems Inc.	384	451	
3 600	CDK Global Inc.	287	235	
4 100	CDW Corp.	352	454	
3 660	Check Point Software Technologies Ltd.	524	513	
132 947	Cisco Systems Inc.	4 229	7 878	
4 049	Citrix Systems Inc.	337	566	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
16 713	Cognizant Technology Solutions Corp., Class A	\$ 878	\$ 1 449	
23 565	Corning Inc.	531	972	
3 887	Dell Technologies Inc., Class C	423	259	
8 012	DXC Technology Co.	663	582	
1 668	F5 Networks Inc.	195	369	
9 510	Fidelity National Information Services Inc.	614	1 331	
11 920	Fiserv Inc.	374	1 197	
2 622	FleetCor Technologies Inc.	528	665	
14 100	Flex Ltd.	296	146	
2 750	Gartner Inc.	420	480	
4 515	Global Payments Inc.	447	636	
4 500	GoDaddy Inc.	467	403	
43 897	Hewlett Packard Enterprise Co.	688	792	
46 132	HP Inc.	1 598	1 289	
133 698	Intel Corp.	4 808	8 572	
26 488	International Business Machines	4 826	4 109	
7 151	Intuit Inc.	636	1 922	
980	IPG Photonics Corp.	317	152	
4 600	Jabil Inc.	170	156	
10 615	Juniper Networks Inc.	289	390	
5 760	Keysight Technologies Inc.	332	488	
4 552	KLA-Tencor Corp.	342	557	
4 647	Lam Research Corp.	355	864	
16 600	Marvell Technology Group Ltd.	414	367	
26 737	Mastercard Inc.	2 156	6 886	
8 180	Maxim Integrated Products	507	568	
6 555	Microchip Technology Inc.	392	644	
33 686	Micron Technology Inc.	1 003	1 459	
221 634	Microsoft Corp.	12 120	30 761	
4 586	Motorola Solutions Inc.	369	720	
7 407	NetApp Inc.	336	604	
7 600	Nuance Communications Inc.	151	137	
17 017	Nvidia Corp.	1 301	3 101	
10 050	NXP Semiconductor N.V.	1 409	1 005	
74 837	Oracle Corporation	2 979	4 613	
2 670	Palo Alto Networks Inc.	510	687	
9 332	Paychex Inc.	462	831	
34 534	PayPal Holdings Inc.	1 486	3 968	
3 300	PTC Inc.	439	373	
3 890	Qorvo Inc.	396	323	
35 748	QUALCOMM Inc.	2 393	2 777	
5 021	Red Hat Inc.	343	1 203	
21 156	Salesforce.com Inc.	1 641	3 956	
8 225	Seagate Technology	360	434	
5 060	ServiceNow Inc.	789	1 229	
2 600	Shopify Inc., Class A	543	491	
5 050	Skyworks Solutions Inc.	595	462	
4 110	Splunk Inc.	360	589	
8 100	Square Inc., Class A	892	620	
5 800	SS&C Technologies Holdings Inc.	412	357	
17 029	Symantec Corp.	420	439	
4 570	SynOpsys Inc.	440	526	
9 808	TE Connectivity Ltd.	558	1 013	
28 495	Texas Instruments Inc.	1 673	3 676	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
12 542	The Western Union Co.	\$ 254	\$ 292	
5 277	Total System Services Inc.	235	586	
7 930	Trimble Inc.	401	356	
2 939	Verisign Inc.	205	595	
51 672	Visa Inc., Class A	3 136	9 311	
1 900	VMware Inc.	262	356	
8 429	Western Digital Corp.	603	426	
4 300	Workday Inc.	587	937	
8 570	Worldpay Inc.	817	894	
7 166	Xerox Corp.	373	193	
7 642	Xilinx Inc.	418	889	
		97 065	179 824	20.6

Materials				
6 422	Air Products & Chemicals Inc.	880	1 404	
3 100	Albemarle Corp.	329	326	
4 900	Alcoa Corp.	296	178	
1 600	Ashland Global Holdings Inc.	134	155	
2 345	Avery Dennison Corp.	138	288	
9 610	Ball Corp.	330	603	
4 090	Celanese Corp.	556	502	
7 160	CF Industries Holdings Inc.	306	425	
66 920	DowDuPont Inc.	4 326	4 886	
4 258	Eastman Chemical Company	310	425	
7 555	Ecolab Inc.	755	1 520	
3 858	FMC Corp.	228	390	
40 369	Freeport-McMoRan Inc.	1 014	568	
2 722	International Flavors & Fragrances Inc.	298	499	
12 378	International Paper Co.	627	682	
16 393	Linde Plc.	2 737	3 494	
9 062	LyondellBasell Industries N.V.	671	1 029	
1 951	Martin Marietta Materials	338	458	
16 193	Newmont Mining Corporation	628	766	
8 866	Nucor Corp.	439	627	
2 600	Packaging Corp. of America	353	296	
6 900	PPG Industries Inc.	523	963	
5 159	Sealed Air Corp.	213	245	
2 425	Sherwin-Williams Co.	549	1 302	
2 200	Southern Copper Corp.	112	92	
6 400	Steel Dynamics Inc.	377	262	
10 872	The Mosaic Co.	551	434	
3 641	Vulcan Materials Co.	276	491	
900	Westlake Chemical Corporation	95	81	
6 975	WestRock Co.	472	360	
		18 861	23 751	2.7

Real Estate				
2 970	Alexandria Real Estate Equities Inc.	440	467	
12 637	American Tower Corp. Real Estate Investment Trust	1 251	2 730	
4 051	AvalonBay Communities Inc. Real Estate Investment Trust	694	962	
4 525	Boston Properties Inc.	580	695	
4 389	Brookfield Property REIT Inc., Class A	119	96	
8 858	CBRE Group Inc.	302	484	

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
12 074	Crown Castle International Corp. Real Estate Investment Trust	\$ 1 112	\$ 1 791	
5 820	Digital Realty Trust Inc.	753	847	
9 700	Duke Realty Corporation Real Estate Investment Trust	336	343	
2 307	Equinix Inc. Real Estate Investment Trust	863	1 111	
10 276	Equity Residential Properties Trust	688	926	
1 970	Essex Property Trust Inc.	458	660	
3 800	Extra Space Storage Inc. Real Estate Investment Trust	470	469	
2 313	Federal Realty Investment Trust	450	373	
14 552	HCP Inc. Real Estate Investment Trust	619	555	
4 300	Hospitality Properties Trust	152	140	
20 528	Host Marriott Corp.	433	467	
8 040	Invitation Homes Inc. Real Estate Investment Trust	240	220	
8 793	Iron Mountain Inc. Real Estate Investment Trust	351	389	
10 864	Kimco Realty Corp.	281	217	
3 900	Liberty Property Trust	201	223	
3 400	Mid-America Apartment Communities Inc. Real Estate Investment Trust	409	444	
5 910	Park Hotels & Resorts Inc. Real Estate Investment Trust	203	209	
18 121	ProLogis Inc. Trust	953	1 453	
4 431	Public Storage Inc. Real Estate Investment Trust	823	1 224	
8 490	Realty Income Corp. Real Estate Investment Trust	563	731	
4 715	Regency Centers Corp. Real Estate Investment Trust	420	378	
3 300	SBA Communications Corp., Class A Real Estate Investment Trust	633	729	
8 845	Simon Property Group Inc.	1 479	2 029	
2 510	SL Green Realty Corp. Real Estate Investment Trust	410	271	
3 680	The Macerich Company	279	217	
7 810	UDR Inc. Real Estate Investment Trust	364	422	
10 338	Ventas Inc. Real Estate Investment Trust	726	827	
25 800	VEREIT Inc. Real Estate Investment Trust	273	252	
5 344	Vornado Realty Trust	540	453	
10 725	Welltower Inc. Real Estate Investment Trust	775	1 016	
21 965	Weyerhaeuser Company Ltd.	724	655	
		20 367	25 475	2.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
20 751	AES Corp.	\$ 407	\$ 410	
7 160	Alliant Energy Corp.	372	413	
6 882	Ameren Corporation	322	613	
14 092	American Electric Power	801	1 438	
5 070	American Water Works Co. Inc.	468	628	
1 980	Avangrid Inc.	131	135	
14 754	Centerpoint Energy Inc.	405	569	
8 417	CMS Energy Corp.	320	570	
9 089	Consolidated Edison Inc.	637	948	
18 864	Dominion Energy Inc.	1 338	1 841	
5 228	DTE Energy Company	440	787	
20 514	Duke Energy Corp.	1 675	2 417	
9 249	Edison International	551	717	
5 457	Entergy Corp.	452	641	
7 700	Evergy Inc.	556	597	
9 198	Eversource Energy	460	817	
27 738	Exelon Corp.	1 138	1 708	
14 306	FirstEnergy Corporation	625	733	
5 100	MDU Resources Group Inc.	170	166	
14 055	NextEra Energy Inc.	1 534	3 336	
10 391	NiSource Inc.	314	360	
8 542	NRG Energy Inc.	259	462	
14 728	PG&E Corporation	802	478	
3 391	Pinnacle West Capital Corp.	230	394	
20 637	PPL Corporation	713	798	
14 907	Public Service Enterprise Group	613	1 059	
3 694	SCANA Corp.	197	241	
7 959	Sempra Energy	780	1 176	
29 233	Southern Co.	1 485	1 753	
11 600	Vistra Energy Corp.	357	362	
9 434	WEC Energy Group Inc.	500	892	
14 881	Xcel Energy Inc.	531	1 001	
		19 583	28 460	3.3
TOTAL UNITED STATES EQUITIES		\$ 564 733	870 798	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			4 520	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 875 318	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 870 798	\$ 798 118
Cash	3 519	3 496
Subscriptions receivable	1 122	580
Dividends receivable, interest accrued and other assets	881	696
TOTAL ASSETS	876 320	802 890
LIABILITIES		
Due to investment dealers	—	1 588
Redemptions payable	531	357
Unrealized loss on foreign exchange contracts	—	1
Accounts payable and accrued expenses	471	442
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 002	2 388
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 875 318	\$ 800 502
Investments at cost	\$ 564 733	\$ 488 979
NAV		
SERIES A	\$ 809 725	\$ 769 088
SERIES F	\$ 65 593	\$ 31 414
NAV PER UNIT		
SERIES A	\$ 21.11	\$ 20.77
SERIES F	\$ 12.50	\$ 12.31

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 17 825	\$ 15 974
Interest for distribution purposes	22	3
Income from investment trusts	609	—
Derivative income	—	(32)
Net realized gain (loss) on investments	12 734	19 058
Change in unrealized gain (loss) on investments	(3 073)	60 808
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	28 117	95 811
Securities lending revenue (see note 7 in the generic notes)	84	47
Net gain (loss) on foreign cash balances	502	146
TOTAL OTHER INCOME (LOSS)	586	193
TOTAL INCOME (LOSS)	28 703	96 004
EXPENSES (see notes – Fund Specific Information)		
Management fees	4 200	3 629
Administration fees	881	909
Independent Review Committee costs	2	3
GST/HST	526	472
Transaction costs	8	12
Withholding tax	3 005	2 251
TOTAL EXPENSES	8 622	7 276
INCREASE (DECREASE) IN NAV	\$ 20 081	\$ 88 728
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 20 380	\$ 86 346
SERIES F	\$ (299)	\$ 2 382
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.54	\$ 2.37
SERIES F	\$ (0.08)	\$ 1.50

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 20 081	\$ 88 728
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(12 719)	(19 029)
Change in unrealized loss (gain) on investments	3 073	(60 808)
(Increase) decrease in accrued receivables	(185)	18
Increase (decrease) in accrued payables	29	48
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(95 413)	(123 121)
Proceeds from sale and maturity of investments	30 790	59 168
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(54 344)	(54 996)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	187 596	166 274
Cash paid on redemption of redeemable units	(132 744)	(108 849)
Distributions paid to holders of redeemable units	(485)	(325)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 54 367	\$ 57 100
Net increase (decrease) in cash for the period	23	2 104
Cash (bank overdraft), beginning of period	3 496	1 392
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 3 519	\$ 3 496
Interest received (paid)	\$ 22	\$ 3
Dividends received, net of withholding taxes	\$ 14 635	\$ 13 741

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 769 088	\$ 646 773	\$ 31 414	\$ 7 985	\$ 800 502	\$ 654 758
INCREASE (DECREASE) IN NAV	20 380	86 346	(299)	2 382	20 081	88 728
Early redemption fees	3	5	—	—	3	5
Proceeds from redeemable units issued	167 512	158 440	43 009	24 459	210 521	182 899
Reinvestments of distributions to holders of redeemable units	8 242	8 049	736	351	8 978	8 400
Redemption of redeemable units	(147 045)	(122 287)	(8 259)	(3 276)	(155 304)	(125 563)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	28 712	44 207	35 486	21 534	64 198	65 741
Distributions from net income	(8 455)	(8 238)	(1 008)	(487)	(9 463)	(8 725)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(8 455)	(8 238)	(1 008)	(487)	(9 463)	(8 725)
NET INCREASE (DECREASE) IN NAV	40 637	122 315	34 179	23 429	74 816	145 744
NAV AT END OF PERIOD	\$ 809 725	\$ 769 088	\$ 65 593	\$ 31 414	\$ 875 318	\$ 800 502

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by tracking the performance of the FTSE USA Index.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	20.6	24.2
Health Care	15.0	13.4
Financials	13.5	14.9
Consumer Discretionary	10.3	12.8
Communication Services	10.0	2.1
Industrials	8.8	9.5
Consumer Staples	7.2	8.0
Energy	5.2	6.0
Utilities	3.3	2.9
Real Estate	2.9	2.8
Materials	2.7	3.1
Cash/Other	0.5	0.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	99.8
Total	100.0	99.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	870 798	–	–	870 798
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	870 798	–	–	870 798
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	798 118	–	–	798 118
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(1)	–	(1)
Total financial instruments	798 118	(1)	–	798 117
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees†
Series A	0.50%	0.10%
Series F	0.09%	0.10%

* Effective June 30, 2017, the management fees for Series F units were reduced to 0.09% from 0.40%.

† Effective June 30, 2017, the administration fees for Series A units were reduced to 0.10% from 0.15%.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	105	103
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	21 020
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	37 021	34 769
Issued number of units	7 621	8 080
Reinvested number of units	395	379
Redeemed number of units	(6 682)	(6 207)
Ending number of units	38 355	37 021
Series F		
Opening units	2 553	723
Issued number of units	3 269	2 082
Reinvested number of units	60	28
Redeemed number of units	(634)	(280)
Ending number of units	5 248	2 553

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	8	100	12	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	71 199	87 027
Fair value of collateral received	72 623	88 768

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	120	100	72	100
RBC IS (paid)	(30)	(25)	(20)	(28)
Tax withheld	(6)	(5)	(5)	(7)
Fund revenue	84	70	47	65

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	–	–
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	–	(1)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	(1)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(1)

Please see the generic notes at the back of the financial statements.



December 31, 2018

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in equity securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. In addition, the benchmark index will be changed to the S&P 500 Total Return Index (CAD) and the sub-advisor of the Fund will change to BlackRock Asset Management Canada Limited. If the change in investment objective is approved, all changes are expected to be effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. INDEX CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
15 033 434	RBC U.S. Equity Index ETF*	\$ 314 558	\$ 337 483	
TOTAL UNDERLYING FUNDS		314 558	337 483	100.8
SHORT-TERM INVESTMENTS†		1 305	1 305	0.4
TOTAL INVESTMENTS		315 863	338 788	101.2
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	1 234	0.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(7 466)	(2.2)
TOTAL PORTFOLIO		<u>\$ 315 863</u>	<u>332 556</u>	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			2 208	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 334 764</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 7 000 Sold CAD 9 260 @ 0.7559	10-Jan-2019	\$ 294
Bought USD 2 000 Sold CAD 2 716 @ 0.7363	10-Jan-2019	14
Bought USD 8 400 Sold CAD 11 430 @ 0.7349	10-Jan-2019	35
Bought USD 5 000 Sold CAD 6 697 @ 0.7467	18-Jan-2019	126
Bought USD 6 000 Sold CAD 8 088 @ 0.7418	18-Jan-2019	99
Bought USD 7 000 Sold CAD 9 137 @ 0.7661	24-Jan-2019	414
Bought USD 4 625 Sold CAD 6 192 @ 0.7469	24-Jan-2019	118
Bought USD 7 000 Sold CAD 9 416 @ 0.7434	24-Jan-2019	134
		<u>\$ 1 234</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 72 187 Sold USD 55 500 @ 1.3007	10-Jan-2019	\$ (3 566)
Bought CAD 3 949 Sold USD 3 000 @ 1.3163	10-Jan-2019	(146)
Bought CAD 85 836 Sold USD 65 250 @ 1.3155	22-Feb-2019	(3 128)
Bought CAD 23 410 Sold USD 17 500 @ 1.3377	25-Feb-2019	(449)
Bought CAD 96 534 Sold USD 70 900 @ 1.3616	08-Mar-2019	(106)
Bought CAD 114 398 Sold USD 84 000 @ 1.3619	20-Mar-2019	(71)
		<u>\$ (7 466)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (6 232)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 338 788	\$ 370 472
Cash	160	160
Subscriptions receivable	230	122
Unrealized gain on foreign exchange contracts	1 234	6 052
Dividends receivable, interest accrued and other assets	2 090	1 288
TOTAL ASSETS	342 502	378 094
LIABILITIES		
Redemptions payable	132	92
Unrealized loss on foreign exchange contracts	7 466	727
Accounts payable and accrued expenses	140	158
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	7 738	977
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 334 764	\$ 377 117
Investments at cost	\$ 315 863	\$ 350 459
NAV		
SERIES A	\$ 311 551	\$ 365 492
SERIES F	\$ 23 213	\$ 11 625
NAV PER UNIT		
SERIES A	\$ 8.95	\$ 9.70
SERIES F	\$ 9.33	\$ 10.14

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 6	\$ 1 979
Income from investment trusts	6 461	1 288
Derivative income	(22 193)	35 283
Net realized gain (loss) on investments	4 587	791
Change in unrealized gain (loss) on investments	(8 645)	25 362
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(19 784)	64 703
Other income (loss)	—	(187)
Securities lending revenue		
(see note 7 in the generic notes)	—	26
Net gain (loss) on foreign cash balances	—	15
TOTAL OTHER INCOME (LOSS)	—	(146)
TOTAL INCOME (LOSS)	(19 784)	64 557
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 483	1 662
Administration fees	193	342
Independent Review Committee costs	2	3
GST/HST	181	216
Transaction costs	75	96
TOTAL EXPENSES	1 934	2 319
INCREASE (DECREASE) IN NAV	\$ (21 718)	\$ 62 238
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (19 731)	\$ 60 993
SERIES F	\$ (1 987)	\$ 1 245
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.55)	\$ 1.75
SERIES F	\$ (1.08)	\$ 1.90



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (21 718)	\$ 62 238
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(296)	—
Net realized loss (gain) on investments	(4 511)	(780)
Change in unrealized loss (gain) on investments	8 645	(25 362)
(Increase) decrease in accrued receivables	(802)	(962)
Increase (decrease) in accrued payables	(18)	(652)
(Increase) decrease in margin accounts	—	9 576
Cost of investments purchased	(140 317)	(2 367 539)
Proceeds from sale and maturity of investments	179 720	2 341 631
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	20 703	18 150
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	44 653	40 608
Cash paid on redemption of redeemable units	(65 234)	(58 637)
Distributions paid to holders of redeemable units	(122)	(544)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (20 703)	\$ (18 573)
Net increase (decrease) in cash for the period	—	(423)
Cash (bank overdraft), beginning of period	160	583
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 160	\$ 160
Interest received (paid)	\$ 6	\$ 2 305
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 365 492	\$ 331 264	\$ 11 625	\$ 2 195	\$ 377 117	\$ 333 459
INCREASE (DECREASE) IN NAV	(19 731)	60 993	(1 987)	1 245	(21 718)	62 238
Early redemption fees	1	—	—	—	1	—
Proceeds from redeemable units issued	36 572	37 183	17 425	10 062	53 997	47 245
Reinvestments of distributions to holders of redeemable units	5 383	39 114	461	1 016	5 844	40 130
Redemption of redeemable units	(70 742)	(63 719)	(3 769)	(1 562)	(74 511)	(65 281)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(28 786)	12 578	14 117	9 516	(14 669)	22 094
Distributions from net income	(5 424)	(39 343)	(542)	(1 331)	(5 966)	(40 674)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 424)	(39 343)	(542)	(1 331)	(5 966)	(40 674)
NET INCREASE (DECREASE) IN NAV	(53 941)	34 228	11 588	9 430	(42 353)	43 658
NAV AT END OF PERIOD	\$ 311 551	\$ 365 492	\$ 23 213	\$ 11 625	\$ 334 764	\$ 377 117

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by tracking the performance of the FTSE USA Hedged 100% to CAD Index.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC U.S. Equity Index ETF. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	20.6	24.3
Health Care	15.0	13.4
Financials	13.5	15.0
Consumer Discretionary	10.3	12.8
Communication Services	10.1	2.1
Industrials	8.8	9.5
Consumer Staples	7.2	8.0
Energy	5.2	6.0
Utilities	3.2	2.9
Real Estate	2.9	2.9
Materials	2.7	3.0
Cash/Other	0.5	0.1
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (hedged to CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	337 483	–	–	337 483
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 305	–	1 305
Derivatives – assets	–	1 234	–	1 234
Derivatives – liabilities	–	(7 466)	–	(7 466)
Total financial instruments	337 483	(4 927)	–	332 556
% of total portfolio	101.5	(1.5)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	370 352	–	–	370 352
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	120	–	120
Derivatives – assets	–	6 052	–	6 052
Derivatives – liabilities	–	(727)	–	(727)
Total financial instruments	370 352	5 445	–	375 797
% of total portfolio	98.6	1.4	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees [†]
Series A	0.41%	0.05%
Series F	0.00%	0.05%

* Effective October 3, 2017, the management fees for Series A units were reduced to 0.41% from 0.50%; and for Series F units were reduced 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%.

[†] Effective June 30, 2017, the administration fees for Series A units were reduced to 0.05% from 0.15%; and for Series F units were reduced to 0.05% from 0.10%.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	130	126
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC U.S. Equity Index ETF	100.8	93.7	98.2	98.3

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	10 085
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	37 645	36 337
Issued number of units	3 677	3 762
Reinvested number of units	628	3 992
Redeemed number of units	(7 128)	(6 446)
Ending number of units	34 822	37 645
Series F		
Opening units	1 146	230
Issued number of units	1 653	967
Reinvested number of units	51	99
Redeemed number of units	(363)	(150)
Ending number of units	2 487	1 146

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	75	100	96	100
Related-party brokerage commissions*	71	95	95	99
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	36	100
RBC IS (paid)	—	(25)	(10)	(28)
Tax withheld	—	—	—	—
Fund revenue	—	75	26	72

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 234	(7 466)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1 234	(7 466)
Related amounts not set-off	(343)	343
Collateral (received) pledged	—	—
Net amount	891	(7 123)



December 31, 2018

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	6 052	(727)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	6 052	(727)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	6 052	(727)

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in equity securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. The Fund will continue to use derivatives to hedge against the fluctuations in the value of the U.S. dollar relative to the Canadian dollar. In addition, the benchmark index will be changed to the S&P 500 Total Return Index (hedged to CAD). If the change in investment objective is approved, all changes are expected to be effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC O'SHAUGHNESSY U.S. VALUE FUND (UNHEDGED)

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
172	Charter Communications Inc.	\$ 72	\$ 67	
1 692	The Walt Disney Company	250	253	
		322	320	2.8
Consumer Discretionary				
2 915	Best Buy Co. Inc.	246	211	
396	eBay Inc.	20	15	
741	Kohl's Corp.	63	67	
289	Lowe's Companies	34	36	
1 388	Marriott International Inc., Class A	219	206	
3 096	Pulte Corp.	118	110	
1 050	Starbucks Corp.	91	92	
3 216	Yum! Brands, Inc.	377	404	
		1 168	1 141	10.2
Consumer Staples				
404	Altria Group Inc.	31	27	
7 640	Conagra Brands Inc.	329	223	
902	General Mills Inc.	61	48	
1 080	Sysco Corp.	85	92	
7 851	The Kroger Co.	305	295	
865	The Procter & Gamble Co.	91	109	
1 843	Walgreens Boots Alliance Inc.	195	172	
		1 097	966	8.6
Energy				
3 448	Anadarko Petroleum Corp.	260	206	
2 828	ConocoPhillips	241	241	
5 316	Marathon Petroleum Corp.	467	429	
2 464	Phillips 66 Company	313	291	
660	Valero Energy Corp.	80	69	
		1 361	1 236	11.0
Financials				
295	Aflac Inc.	17	18	
9 085	Ally Financial Inc.	307	281	
164	American International Group Inc.	11	9	
3 471	Ameriprise Financial Inc.	601	495	
849	Aon Plc.	170	168	
3 615	Bank of America Corp.	128	122	
1 563	BB&T Corporation	101	92	
4 929	Citigroup Inc.	418	350	
730	Comerica Inc.	74	68	
1 136	Discover Financial Services	103	91	
11 062	Fifth Third Bancorp	408	355	
3 630	Franklin Resources Inc.	155	147	
1 272	Hartford Financial Services Inc.	91	77	
9 314	MetLife Inc.	534	522	
10 926	Regions Financial Corp.	238	200	
192	Suntrust Banks Inc.	17	13	
2 142	Synchrony Financial	89	69	
5 626	Voya Financial Inc.	340	308	
		3 802	3 385	30.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
550	AbbVie Inc.	\$ 63	\$ 69	
1 460	Amgen Inc.	377	388	
951	Cardinal Health Inc.	67	58	
1 019	DaVita Inc.	83	72	
87	McKesson Corp.	18	13	
		608	600	5.4
Industrials				
1 236	American Airlines Group Inc.	80	54	
211	CSX Corp.	20	18	
1 949	Delta Air Lines Inc.	143	133	
1 048	Dover Corp.	114	102	
3 190	HD Supply Holdings Inc.	171	163	
322	Rockwell Automation Inc.	71	66	
2 270	Spirit Aerosystems Holdings Inc., Class A	241	223	
1 374	Union Pacific Corp.	267	259	
1 843	United Continental Holdings Inc.	211	211	
		1 318	1 229	11.0
Information Technology				
2 334	CDK Global Inc.	169	153	
5 769	Cisco Systems Inc.	350	342	
3 269	Citrix Systems Inc.	464	457	
4 413	Corning Inc.	184	182	
9 290	Juniper Networks Inc.	346	341	
751	QUALCOMM Inc.	56	58	
4 177	Seagate Technology	257	220	
8 993	The Western Union Co.	225	209	
		2 051	1 962	17.5
Materials				
389	Celanese Corp.	53	48	
4 431	Sealed Air Corp.	227	211	
		280	259	2.3
TOTAL COMMON EQUITIES				\$ 12 007
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				116
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				\$ 11 214
				100.0

The accompanying notes are an integral part of the financial statements.



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 11 098
Cash	106
Dividends receivable, interest accrued and other assets	11
TOTAL ASSETS	11 215
LIABILITIES	
Accounts payable and accrued expenses	1
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 11 214
Investments at cost	\$ 12 007
NAV	
SERIES A	\$ 737
ADVISOR SERIES	\$ 25
SERIES D	\$ 246
SERIES F	\$ 1 267
SERIES O	\$ 8 939
NAV PER UNIT	
SERIES A	\$ 8.74
ADVISOR SERIES	\$ 8.74
SERIES D	\$ 8.75
SERIES F	\$ 8.76
SERIES O	\$ 8.77

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Dividends	\$ 93
Interest for distribution purposes	3
Derivative income	1
Net realized gain (loss) on investments	96
Change in unrealized gain (loss) on investments	(909)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(716)
Securities lending revenue (see note 7 in the generic notes)	1
TOTAL OTHER INCOME (LOSS)	1
TOTAL INCOME (LOSS)	(715)
EXPENSES (see notes – Fund Specific Information)	
Management fees	12
Administration fees	2
Independent Review Committee costs	2
GST/HST	1
Transaction costs	4
Withholding tax	12
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	31
INCREASE (DECREASE) IN NAV	\$ (746)
INCREASE (DECREASE) IN NAV	
SERIES A	\$ (88)
ADVISOR SERIES	\$ (2)
SERIES D	\$ (25)
SERIES F	\$ (7)
SERIES O	\$ (624)
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ (1.31)
ADVISOR SERIES	\$ (0.89)
SERIES D	\$ (1.16)
SERIES F	\$ (0.18)
SERIES O	\$ (1.99)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	2018
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in NAV	\$ (746)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS	
Interest for distribution purposes	—
Non-cash distributions from underlying funds	—
Net realized loss (gain) on investments	(95)
Change in unrealized loss (gain) on investments	909
(Increase) decrease in accrued receivables	(11)
Increase (decrease) in accrued payables	1
(Increase) decrease in margin accounts	—
Cost of investments purchased	(33 304)
Proceeds from sale and maturity of investments	21 392
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(11 854)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of redeemable units	12 811
Cash paid on redemption of redeemable units	(791)
Distributions paid to holders of redeemable units	(60)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 11 960
Net increase (decrease) in cash for the period	106
Cash (bank overdraft), beginning of period	—
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 106
Interest received (paid)	\$ 3
Dividends received, net of withholding taxes	\$ 70

The accompanying notes are an integral part of these financial statements.



Statement of Changes in NAV *(in \$000s)*

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(88)	(2)	(25)	(7)
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	935	27	500	1 656
Reinvestments of distributions to holders of redeemable units	9	—	3	1
Redemption of redeemable units	(110)	—	(229)	(378)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	834	27	274	1 279
Distributions from net income	(2)	—	(1)	(2)
Distributions from net gains	(7)	—	(2)	(3)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9)	—	(3)	(5)
NET INCREASE (DECREASE) IN NAV	737	25	246	1 267
NAV AT END OF PERIOD	\$ 737	\$ 25	\$ 246	\$ 1 267

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(624)	(746)
Early redemption fees	—	—
Proceeds from redeemable units issued	9 789	12 907
Reinvestments of distributions to holders of redeemable units	69	82
Redemption of redeemable units	(170)	(887)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	9 688	12 102
Distributions from net income	(46)	(51)
Distributions from net gains	(79)	(91)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(125)	(142)
NET INCREASE (DECREASE) IN NAV	8 939	11 214
NAV AT END OF PERIOD	\$ 8 939	\$ 11 214

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

The Fund was started January 17, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
Financials	30.2
Information Technology	17.5
Energy	11.0
Industrials	11.0
Consumer Discretionary	10.2
Consumer Staples	8.6
Health Care	5.4
Communication Services	2.8
Materials	2.3
Cash/Other	1.0
Total	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018
Currency	
United States dollar	99.8
Total	99.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0%. In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using an 11-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018
Russell 1000 Value Index (CAD)	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	11 098	—	—	11 098
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	11 098	—	—	11 098
% of total portfolio	100.0	—	—	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.10%
Advisor Series	1.25%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	101
Advisor Series	101
Series D	101
Series F	102
Series O	204 202
Value of all units	1 794

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes) 2018

Series A	
Opening units	–
Issued number of units	94
Reinvested number of units	1
Redeemed number of units	(11)
Ending number of units	84

Advisor Series	
Opening units	–
Issued number of units	3
Reinvested number of units	–
Redeemed number of units	–
Ending number of units	3

Series D	
Opening units	–
Issued number of units	51
Reinvested number of units	–
Redeemed number of units	(23)
Ending number of units	28

Series F	
Opening units	–
Issued number of units	182
Reinvested number of units	–
Redeemed number of units	(37)
Ending number of units	145

For the period ended December 31
(see note 2 in the generic notes)

Series O	
Opening units	–
Issued number of units	1 030
Reinvested number of units	8
Redeemed number of units	(18)
Ending number of units	1 020

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the period ended:

	December 31 2018	
	\$	%
Total transaction costs	4	100
Related-party brokerage commissions*	–	–
Commission arrangements†	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018
Fair value of securities loaned	1 226
Fair value of collateral received	1 251

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statement of Comprehensive Income.

	December 31 2018	
	\$	%
Gross revenue	1	100
RBC IS (paid)	–	(25)
Tax withheld	–	(3)
Fund revenue	1	72



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC O'SHAUGHNESSY U.S. VALUE FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
23 429	Charter Communications Inc.	\$ 9 527	\$ 9 118	
134 162	The Walt Disney Company	19 695	20 086	
		29 222	29 204	2.4
Consumer Discretionary				
353 017	Best Buy Co. Inc.	17 319	25 523	
85 937	eBay Inc.	3 742	3 294	
192 301	Kohl's Corp.	12 883	17 416	
73 423	Lowe's Companies	7 777	9 258	
131 403	Marriott International Inc., Class A	22 173	19 475	
457 422	Pulte Corp.	17 355	16 230	
302 778	Yum! Brands, Inc.	33 799	38 004	
		115 048	129 200	10.7
Consumer Staples				
874 740	Conagra Brands Inc.	39 468	25 508	
198 451	General Mills Inc.	13 187	10 550	
211 662	Sysco Corp.	14 343	18 111	
831 360	The Kroger Co.	30 954	31 212	
132 178	The Procter & Gamble Co.	15 216	16 592	
188 802	Walgreens Boots Alliance Inc.	18 288	17 621	
		131 456	119 594	9.9
Energy				
379 383	ConocoPhillips	32 311	32 293	
691 563	Marathon Petroleum Corp.	62 259	55 713	
200 878	Valero Energy Corp.	16 098	20 564	
		110 668	108 570	9.0
Financials				
1 142 886	Ally Financial Inc.	40 895	35 356	
391 130	Ameriprise Financial Inc.	52 474	55 739	
776 647	Citigroup Inc.	70 373	55 182	
13 187	Comerica Inc.	1 395	1 236	
23 772	Discover Financial Services	2 390	1 914	
1 409 635	Fifth Third Bancorp	58 396	45 282	
136 235	Franklin Resources Inc.	5 474	5 516	
333 663	Hartford Financial Services Inc.	21 918	20 241	
1 008 070	MetLife Inc.	60 491	56 507	
1 497 251	Regions Financial Corp.	31 619	27 349	
77 835	Suntrust Banks Inc.	7 073	5 361	
749 286	Voya Financial Inc.	50 096	41 060	
		402 594	350 743	29.0
Health Care				
74 332	AbbVie Inc.	8 211	9 355	
165 681	Amgen Inc.	42 407	44 057	
65 271	Cardinal Health Inc.	4 679	3 974	
66 625	DaVita Inc.	6 147	4 681	
29 707	McKesson Corp.	5 881	4 480	
		67 325	66 547	5.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
54 973	CSX Corp.	\$ 5 174	\$ 4 663	
207 098	Delta Air Lines Inc.	15 022	14 108	
166 302	Dover Corp.	18 557	16 108	
423 312	HD Supply Holdings Inc.	23 960	21 683	
29 236	Rockwell Automation Inc.	6 577	6 006	
259 951	Spirit Aerosystems Holdings Inc., Class A	25 046	25 568	
196 817	Union Pacific Corp.	38 727	37 142	
219 915	United Continental Holdings Inc.	20 638	25 138	
		153 701	150 416	12.4
Information Technology				
262 688	CDK Global Inc.	22 332	17 176	
585 075	Cisco Systems Inc.	35 084	34 670	
392 102	Citrix Systems Inc.	52 648	54 847	
783 178	Corning Inc.	27 022	32 300	
1 020 852	Juniper Networks Inc.	37 963	37 504	
73 701	QUALCOMM Inc.	5 452	5 726	
535 831	Seagate Technology	35 779	28 255	
1 562 041	The Western Union Co.	38 934	36 380	
		255 214	246 858	20.4
Materials				
145 357	Celanese Corp.	18 435	17 848	
627 445	Sealed Air Corp.	35 644	29 844	
		54 079	47 692	3.9
TOTAL COMMON EQUITIES		1 319 307	1 248 824	103.2
SHORT-TERM INVESTMENTS*		15 244	15 242	1.3
TOTAL INVESTMENTS		1 334 551	1 264 066	104.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	7 056	0.6
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(62 915)	(5.2)
TOTAL PORTFOLIO		\$1 334 551	1 208 207	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			1 552	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$1 209 759	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 20 371 Sold CAD 26 460 @ 0.7699	07-Jan-2019	\$ 1 347
Bought USD 550 Sold CAD 718 @ 0.7654	18-Jan-2019	32
Bought USD 1 000 Sold CAD 1 317 @ 0.7590	18-Jan-2019	47
Bought USD 938 Sold CAD 1 254 @ 0.7480	18-Jan-2019	26
Bought USD 14 283 Sold CAD 19 100 @ 0.7478	18-Jan-2019	391
Bought USD 578 Sold CAD 766 @ 0.7541	18-Jan-2019	22
Bought USD 2 302 Sold CAD 3 088 @ 0.7456	18-Jan-2019	54
Bought USD 3 642 Sold CAD 4 856 @ 0.7500	24-Jan-2019	113
Bought USD 286 Sold CAD 384 @ 0.7458	24-Jan-2019	7
Bought USD 1 883 Sold CAD 2 518 @ 0.7480	24-Jan-2019	52
Bought USD 16 816 Sold CAD 22 000 @ 0.7644	30-Jan-2019	939
Bought USD 16 666 Sold CAD 22 300 @ 0.7473	30-Jan-2019	434
Bought USD 19 397 Sold CAD 26 220 @ 0.7398	30-Jan-2019	240
Bought USD 8 956 Sold CAD 12 000 @ 0.7464	31-Jan-2019	217
Bought USD 2 135 Sold CAD 2 861 @ 0.7463	13-Feb-2019	51
Bought USD 15 408 Sold CAD 20 796 @ 0.7409	13-Feb-2019	216
Bought USD 14 828 Sold CAD 19 663 @ 0.7541	21-Feb-2019	555
Bought USD 1 522 Sold CAD 2 027 @ 0.7506	21-Feb-2019	48
Bought USD 22 878 Sold CAD 31 000 @ 0.7380	21-Feb-2019	193
Bought USD 17 614 Sold CAD 23 400 @ 0.7527	27-Feb-2019	612
Bought USD 14 383 Sold CAD 19 100 @ 0.7531	27-Feb-2019	509
Bought USD 9 725 Sold CAD 13 000 @ 0.7480	27-Feb-2019	258
Bought USD 1 019 Sold CAD 1 363 @ 0.7478	07-Mar-2019	26
Bought USD 12 583 Sold CAD 16 830 @ 0.7477	07-Mar-2019	320
Bought USD 18 737 Sold CAD 25 200 @ 0.7435	07-Mar-2019	340
Bought USD 940 Sold CAD 1 274 @ 0.7377	21-Mar-2019	7
		<u>\$ 7 056</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 138 945 Sold USD 108 627 @ 1.2791	07-Jan-2019	\$ (9 335)
Bought CAD 10 338 Sold USD 7 994 @ 1.2932	18-Jan-2019	(571)
Bought CAD 231 693 Sold USD 179 139 @ 1.2934	18-Jan-2019	(12 758)
Bought CAD 90 156 Sold USD 69 043 @ 1.3058	24-Jan-2019	(4 043)
Bought CAD 29 100 Sold USD 22 251 @ 1.3078	24-Jan-2019	(1 259)
Bought CAD 125 315 Sold USD 96 848 @ 1.2939	30-Jan-2019	(6 795)
Bought CAD 187 000 Sold USD 143 007 @ 1.3076	31-Jan-2019	(8 071)
Bought CAD 70 340 Sold USD 53 742 @ 1.3088	13-Feb-2019	(2 948)
Bought CAD 125 749 Sold USD 95 268 @ 1.3200	21-Feb-2019	(4 145)
Bought CAD 16 000 Sold USD 12 170 @ 1.3147	21-Feb-2019	(593)
Bought CAD 126 463 Sold USD 96 141 @ 1.3154	27-Feb-2019	(4 606)
Bought CAD 89 782 Sold USD 67 070 @ 1.3386	07-Mar-2019	(1 640)
Bought CAD 163 351 Sold USD 123 417 @ 1.3236	13-Mar-2019	(4 856)
Bought CAD 75 662 Sold USD 56 475 @ 1.3398	21-Mar-2019	(1 295)
		<u>\$ (62 915)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (55 859)</u>

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 264 066	\$ 1 722 251
Cash	2	5
Due from investment dealers	996	—
Subscriptions receivable	824	392
Unrealized gain on foreign exchange contracts	7 056	24 264
Dividends receivable, interest accrued and other assets	1 594	1 148
TOTAL ASSETS	1 274 538	1 748 060
LIABILITIES		
Due to investment dealers	216	—
Redemptions payable	523	1 951
Unrealized loss on foreign exchange contracts	62 915	1 813
Distributions payable	39	—
Accounts payable and accrued expenses	1 086	1 390
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	64 779	5 154
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 209 759	\$ 1 742 906
Investments at cost	\$ 1 334 551	\$ 1 460 479
NAV		
SERIES A	\$ 643 177	\$ 889 259
ADVISOR SERIES	\$ 17 857	\$ 24 974
SERIES D	\$ 63 833	\$ 87 155
SERIES F	\$ 118 633	\$ 110 270
SERIES I	\$ 3 992	\$ 5 074
SERIES O	\$ 362 267	\$ 626 174
NAV PER UNIT		
SERIES A	\$ 11.71	\$ 16.83
ADVISOR SERIES	\$ 11.81	\$ 17.03
SERIES D	\$ 11.67	\$ 16.90
SERIES F	\$ 12.05	\$ 17.41
SERIES I	\$ 11.88	\$ 17.08
SERIES O	\$ 11.99	\$ 17.27

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 36 506	\$ 41 095
Interest for distribution purposes	226	138
Derivative income	(58 167)	61 122
Net realized gain (loss) on investments	280 349	167 395
Change in unrealized gain (loss) on investments	(410 567)	87 448
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(151 653)	357 198
Securities lending revenue (see note 7 in the generic notes)	233	484
Net gain (loss) on foreign cash balances	1 217	(1 080)
TOTAL OTHER INCOME (LOSS)	1 450	(596)
TOTAL INCOME (LOSS)	(150 203)	356 602
EXPENSES (see notes – Fund Specific Information)		
Management fees	12 427	12 591
Administration fees	1 579	1 602
Independent Review Committee costs	2	3
GST/HST	1 490	1 505
Transaction costs	833	892
Withholding tax	4 851	5 364
TOTAL EXPENSES	21 182	21 957
INCREASE (DECREASE) IN NAV	\$ (171 385)	\$ 334 645
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (97 914)	\$ 167 233
ADVISOR SERIES	\$ (2 743)	\$ 4 860
SERIES D	\$ (10 201)	\$ 16 885
SERIES F	\$ (19 177)	\$ 18 451
SERIES I	\$ (581)	\$ 1 342
SERIES O	\$ (40 769)	\$ 125 874
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.01)	\$ 3.17
ADVISOR SERIES	\$ (2.03)	\$ 3.17
SERIES D	\$ (2.04)	\$ 3.21
SERIES F	\$ (2.52)	\$ 3.60
SERIES I	\$ (2.03)	\$ 2.94
SERIES O	\$ (1.35)	\$ 3.53



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (171 385)	\$ 334 645
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(279 412)	(166 328)
Change in unrealized loss (gain) on investments	410 567	(87 448)
(Increase) decrease in accrued receivables	(446)	570
Increase (decrease) in accrued payables	(304)	10
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 119 357)	(4 373 801)
Proceeds from sale and maturity of investments	4 523 917	4 533 972
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	363 580	241 620
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	139 481	123 552
Cash paid on redemption of redeemable units	(478 273)	(348 701)
Distributions paid to holders of redeemable units	(24 791)	(16 469)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (363 583)	\$ (241 618)
Net increase (decrease) in cash for the period	(3)	2
Cash (bank overdraft), beginning of period	5	3
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2	\$ 5
Interest received (paid)	\$ 226	\$ 137
Dividends received, net of withholding taxes	\$ 31 208	\$ 36 303

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 889 259	\$ 874 284	\$ 24 974	\$ 27 290	\$ 87 155	\$ 88 337	\$ 110 270	\$ 70 197
INCREASE (DECREASE) IN NAV	(97 914)	167 233	(2 743)	4 860	(10 201)	16 885	(19 177)	18 451
Early redemption fees	1	—	—	—	—	—	—	—
Proceeds from redeemable units issued	27 268	28 732	1 521	1 829	9 985	8 849	58 949	48 313
Reinvestments of distributions to holders of redeemable units	126 934	77 311	3 553	2 127	12 183	7 341	19 600	7 414
Redemption of redeemable units	(173 031)	(179 528)	(5 784)	(8 926)	(21 604)	(26 147)	(25 492)	(23 728)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(18 828)	(73 485)	(710)	(4 970)	564	(9 957)	53 057	31 999
Distributions from net income	(3 632)	(4 380)	(112)	(136)	(653)	(730)	(1 397)	(1 037)
Distributions from net gains	(125 708)	(74 393)	(3 552)	(2 070)	(13 032)	(7 380)	(24 120)	(9 340)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(129 340)	(78 773)	(3 664)	(2 206)	(13 685)	(8 110)	(25 517)	(10 377)
NET INCREASE (DECREASE) IN NAV	(246 082)	14 975	(7 117)	(2 316)	(23 322)	(1 182)	8 363	40 073
NAV AT END OF PERIOD	\$ 643 177	\$ 889 259	\$ 17 857	\$ 24 974	\$ 63 833	\$ 87 155	\$ 118 633	\$ 110 270

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 074	\$ 8 721	\$ 626 174	\$ 581 220	\$ 1 742 906	\$ 1 650 049
INCREASE (DECREASE) IN NAV	(581)	1 342	(40 769)	125 874	(171 385)	334 645
Early redemption fees	—	—	—	—	1	—
Proceeds from redeemable units issued	11	61	94 410	80 731	192 144	168 515
Reinvestments of distributions to holders of redeemable units	857	516	65 201	54 155	228 328	148 864
Redemption of redeemable units	(512)	(5 049)	(302 654)	(150 456)	(529 077)	(393 834)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	356	(4 472)	(143 043)	(15 570)	(108 604)	(76 455)
Distributions from net income	(62)	(96)	(9 838)	(12 496)	(15 694)	(18 875)
Distributions from net gains	(795)	(421)	(70 257)	(52 854)	(237 464)	(146 458)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(857)	(517)	(80 095)	(65 350)	(253 158)	(165 333)
NET INCREASE (DECREASE) IN NAV	(1 082)	(3 647)	(263 907)	44 954	(533 147)	92 857
NAV AT END OF PERIOD	\$ 3 992	\$ 5 074	\$ 362 267	\$ 626 174	\$ 1 209 759	\$ 1 742 906

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns consisting of capital growth and current income by investing primarily in equity securities of U.S. companies.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	29.0	24.5
Information Technology	20.4	12.5
Industrials	12.4	11.7
Consumer Discretionary	10.7	20.8
Consumer Staples	9.9	10.5
Energy	9.0	5.9
Health Care	5.5	5.9
Materials	3.9	6.4
Communication Services	2.4	–
Cash/Other	(3.2)	1.8
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (hedged to CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 248 824	–	–	1 248 824
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	15 242	–	15 242
Derivatives – assets	–	7 056	–	7 056
Derivatives – liabilities	–	(62 915)	–	(62 915)
Total financial instruments	1 248 824	(40 617)	–	1 208 207
% of total portfolio	103.4	(3.4)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 710 977	–	–	1 710 977
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	11 274	–	11 274
Derivatives – assets	–	24 264	–	24 264
Derivatives – liabilities	–	(1 813)	–	(1 813)
Total financial instruments	1 710 977	33 725	–	1 744 702
% of total portfolio	98.1	1.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.15%
Advisor Series	1.25%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series I	0.60%	0.02%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series I	742	590
Value of all units	9	10

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017

Series A

Opening units	52 826	57 528
Issued number of units	1 617	1 782
Reinvested number of units	10 769	4 594
Redeemed number of units	(10 275)	(11 078)
Ending number of units	54 937	52 826

Advisor Series

Opening units	1 466	1 777
Issued number of units	88	111
Reinvested number of units	299	125
Redeemed number of units	(341)	(547)
Ending number of units	1 512	1 466

Series D

Opening units	5 159	5 786
Issued number of units	588	543
Reinvested number of units	1 032	435
Redeemed number of units	(1 308)	(1 605)
Ending number of units	5 471	5 159

Series F

Opening units	6 334	4 466
Issued number of units	3 407	2 848
Reinvested number of units	1 605	426
Redeemed number of units	(1 505)	(1 406)
Ending number of units	9 841	6 334

Series I

Opening units	297	565
Issued number of units	–	5
Reinvested number of units	71	30
Redeemed number of units	(32)	(303)
Ending number of units	336	297

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	36 262	37 239
Issued number of units	5 760	4 883
Reinvested number of units	5 354	3 143
Redeemed number of units	(17 154)	(9 003)
Ending number of units	30 222	36 262

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	833	100	892	100
Related-party brokerage commissions*	1	–	42	5
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	196 911	134 627
Fair value of collateral received	200 849	137 320

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	336	100	703	100
RBC IS (paid)	(84)	(25)	(188)	(27)
Tax withheld	(19)	(6)	(31)	(4)
Fund revenue	233	69	484	69



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Select Choices Aggressive Growth Portfolio	0.9	0.7
RBC Select Choices Balanced Portfolio	1.5	1.3
RBC Select Choices Conservative Portfolio	0.4	0.3
RBC Select Choices Growth Portfolio	0.9	0.8
RBC Target 2020 Education Fund	0.4	0.7
RBC Target 2025 Education Fund	3.0	2.6
RBC Target 2030 Education Fund	3.3	1.6
RBC Target 2035 Education Fund	0.3	–
Total	10.7	8.0

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	7 056	(62 915)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	7 056	(62 915)
Related amounts not set-off	(7 056)	7 056
Collateral (received) pledged	–	–
Net amount	–	(55 859)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	24 264	(1 813)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	24 264	(1 813)
Related amounts not set-off	(847)	847
Collateral (received) pledged	–	–
Net amount	23 417	(966)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. MID-CAP GROWTH EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Consumer Discretionary				
95 850	Bright Horizons Family Solutions Inc.	\$ 9 039	\$ 14 584	
51 230	Burlington Stores Inc.	10 589	11 371	
127 200	Dollar Tree Inc.	7 764	15 684	
194 740	LKQ Corp.	4 814	6 309	
35 440	MercadoLibre Inc.	3 947	14 169	
112 540	Nordstrom Inc.	6 940	7 159	
28 060	O'Reilly Automotive Inc.	3 931	13 190	
139 980	Tractor Supply Co.	9 414	15 945	
117 524	Under Armour Inc.	94	2 594	
148 690	Under Armour Inc., Class A	8 078	3 587	
		64 610	104 592	12.1
Consumer Staples				
72 160	Casey's General Stores Inc.	10 962	12 626	
136 500	Church & Dwight Co. Inc.	4 138	12 257	
71 270	Ingredion Inc.	5 516	8 893	
68 240	McCormick & Co. Inc.	4 828	12 972	
100 450	Treehouse Foods Inc.	6 187	6 956	
		31 631	53 704	6.2
Energy				
45 110	Concho Resources Inc.	4 558	6 331	
49 990	Core Laboratories N.V.	8 292	4 073	
		12 850	10 404	1.2
Financials				
41 350	Affiliated Managers Group Inc.	6 459	5 498	
360 150	Brown & Brown Inc.	6 682	13 551	
36 890	Factset Research Systems Inc.	4 062	10 079	
4 780	Markel Corp.	6 621	6 754	
132 670	Raymond James Financial Corp.	7 478	13 477	
116 330	RLI Corp.	9 203	10 954	
62 750	Signature Bank	6 029	8 807	
70 250	T. Rowe Price Group Inc.	5 501	8 856	
		52 035	77 976	9.0
Health Care				
48 070	Abiomed Inc.	5 502	21 340	
30 520	Align Technology Inc.	3 036	8 735	
50 540	Bio-Techne Corp.	12 524	9 985	
43 950	Cooper Co. Inc.	8 007	15 270	
97 490	DaVita Inc.	8 037	6 849	
180 360	Globus Medical Inc., Class A	5 958	10 657	
144 520	HealthEquity Inc.	8 315	11 769	
118 080	Henry Schein Inc.	5 646	12 671	
42 860	IDEXX Laboratories Inc.	2 483	10 884	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
48 280	Laboratory Corp. of America Holdings	\$ 5 486	\$ 8 330	
16 150	Mettler-Toledo International Inc.	3 614	12 461	
87 650	STERIS Plc.	8 762	12 786	
63 770	Varian Medical Systems Inc.	4 701	9 865	
50 530	Waters Corp.	5 101	13 014	
88 700	West Pharmaceutical Services Inc.	11 642	11 867	
		98 814	176 483	20.3
Industrials				
57 470	Acuity Brands Inc.	15 101	9 018	
121 130	Ametek Inc.	6 010	11 195	
104 330	Clean Harbors Inc.	6 303	7 029	
176 200	Copart Inc.	3 698	11 493	
19 350	Grainger (W.W.) Inc.	4 076	7 459	
194 675	IHS Markit Ltd.	8 501	12 760	
66 650	J.B. Hunt Transport Services Inc.	4 665	8 466	
77 290	Landstar System Inc.	4 979	10 098	
46 500	Middleby Corp.	5 500	6 521	
89 730	MSC Industrial Direct Co.	8 325	9 423	
40 690	Roper Technologies Inc.	5 266	14 799	
39 510	Teledyne Technologies Inc.	9 181	11 160	
74 670	Verisk Analytics Inc.	4 232	11 115	
69 390	WABCO Holdings Inc.	11 972	10 166	
100 800	Wabtec Corp.	12 065	9 665	
145 380	Waste Connections Inc.	6 887	14 737	
138 460	Woodward Inc.	9 128	14 043	
		125 889	179 147	20.7
Information Technology				
109 640	Akamai Technologies Inc.	8 781	9 148	
29 680	Alliance Data Systems Corp.	10 328	6 081	
61 400	Ansys Inc.	4 886	11 982	
38 140	Arista Networks Inc.	7 828	10 971	
113 260	Aspen Technology Inc.	6 417	12 707	
105 770	Autodesk Inc.	6 288	18 590	
125 940	CDW Corp.	10 866	13 935	
44 070	F5 Networks Inc.	4 529	9 748	
68 760	Fortinet Inc.	6 579	6 611	
73 330	Global Payments Inc.	7 956	10 324	
38 040	IPG Photonics Corp.	2 589	5 883	
50 400	Jack Henry & Associates Inc.	10 423	8 708	
143 480	RealPage Inc.	11 740	9 439	
86 460	Red Hat Inc.	6 679	20 719	
134 150	SynOpsys Inc.	5 245	15 440	
36 030	Tyler Technologies Inc.	8 351	9 134	
65 760	Verisign Inc.	3 354	13 318	
78 930	WEX Inc.	6 997	15 092	
57 170	Zebra Technologies Corp.	6 469	12 428	
		136 305	220 258	25.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
112 430	Aptargroup Inc.	\$ 8 201	\$ 14 436	
175 490	Fuller (H.B.) Co.	11 535	10 224	
		19 736	24 660	2.8
Real Estate				
60 100	Alexandria Real Estate Equities Inc.	8 764	9 455	
166 480	Healthcare Trust of America Inc.			
	Real Estate Investment Trust	6 922	5 752	
		15 686	15 207	1.7
TOTAL COMMON EQUITIES		\$ 557 556	862 431	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			4 961	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 867 392	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 862 431	\$ 792 393
Cash	4 675	6 117
Subscriptions receivable	427	674
Dividends receivable, interest accrued and other assets	225	189
TOTAL ASSETS	867 758	799 373
LIABILITIES		
Redemptions payable	121	170
Accounts payable and accrued expenses	245	199
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	366	369
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 867 392	\$ 799 004
Investments at cost	\$ 557 556	\$ 499 312
NAV		
SERIES A	\$ 90 225	\$ 87 333
ADVISOR SERIES	\$ 3 619	\$ 2 305
SERIES D	\$ 21 682	\$ 11 536
SERIES F	\$ 44 084	\$ 12 949
SERIES O	\$ 707 782	\$ 684 881
NAV PER UNIT		
SERIES A	\$ 31.57	\$ 30.79
ADVISOR SERIES	\$ 31.67	\$ 30.86
SERIES D	\$ 34.96	\$ 33.80
SERIES F	\$ 37.58	\$ 36.23
SERIES O	\$ 38.62	\$ 37.20

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 8 437	\$ 4 571
Interest for distribution purposes	296	79
Income from investment trusts	274	—
Derivative income	(95)	21
Net realized gain (loss) on investments	55 888	36 226
Change in unrealized gain (loss) on investments	11 794	63 859
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	76 594	104 756
Securities lending revenue (see note 7 in the generic notes)	192	275
Net gain (loss) on foreign cash balances	1 704	1 466
TOTAL OTHER INCOME (LOSS)	1 896	1 741
TOTAL INCOME (LOSS)	78 490	106 497
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 167	1 741
Administration fees	349	279
Independent Review Committee costs	2	3
GST/HST	260	209
Transaction costs	74	96
Withholding tax	723	624
TOTAL EXPENSES	3 575	2 952
INCREASE (DECREASE) IN NAV	\$ 74 915	\$ 103 545
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 6 173	\$ 10 518
ADVISOR SERIES	\$ 139	\$ 246
SERIES D	\$ (202)	\$ 1 297
SERIES F	\$ (119)	\$ 1 343
SERIES O	\$ 68 924	\$ 90 141
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 2.24	\$ 3.57
ADVISOR SERIES	\$ 1.49	\$ 3.60
SERIES D	\$ (0.39)	\$ 4.07
SERIES F	\$ (0.14)	\$ 4.26
SERIES O	\$ 3.84	\$ 5.12



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 74 915	\$ 103 545
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(55 785)	(36 168)
Change in unrealized loss (gain) on investments	(11 794)	(63 859)
(Increase) decrease in accrued receivables	(36)	73
Increase (decrease) in accrued payables	46	19
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(151 745)	(129 323)
Proceeds from sale and maturity of investments	149 286	96 056
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	4 887	(29 657)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	99 781	69 008
Cash paid on redemption of redeemable units	(101 553)	(44 724)
Distributions paid to holders of redeemable units	(4 557)	(2 271)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 329)	\$ 22 013
Net increase (decrease) in cash for the period	(1 442)	(7 644)
Cash (bank overdraft), beginning of period	6 117	13 761
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 4 675	\$ 6 117
Interest received (paid)	\$ 296	\$ 79
Dividends received, net of withholding taxes	\$ 7 678	\$ 4 020

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 87 333	\$ 86 645	\$ 2 305	\$ 2 107	\$ 11 536	\$ 9 217	\$ 12 949	\$ 8 493
INCREASE (DECREASE) IN NAV	6 173	10 518	139	246	(202)	1 297	(119)	1 343
Early redemption fees	—	—	—	—	1	—	—	—
Proceeds from redeemable units issued	15 795	5 974	2 550	1 014	24 541	3 628	38 789	6 685
Reinvestments of distributions to holders of redeemable units	3 777	2 047	161	57	993	283	1 387	203
Redemption of redeemable units	(18 801)	(15 653)	(1 375)	(1 061)	(14 183)	(2 604)	(6 862)	(3 447)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	771	(7 632)	1 336	10	11 352	1 307	33 314	3 441
Distributions from net income	—	—	—	—	—	—	(17)	—
Distributions from net gains	(4 052)	(2 198)	(161)	(58)	(1 004)	(285)	(2 043)	(328)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 052)	(2 198)	(161)	(58)	(1 004)	(285)	(2 060)	(328)
NET INCREASE (DECREASE) IN NAV	2 892	688	1 314	198	10 146	2 319	31 135	4 456
NAV AT END OF PERIOD	\$ 90 225	\$ 87 333	\$ 3 619	\$ 2 305	\$ 21 682	\$ 11 536	\$ 44 084	\$ 12 949

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 684 881	\$ 566 870	\$ 799 004	\$ 673 332
INCREASE (DECREASE) IN NAV	68 924	90 141	74 915	103 545
Early redemption fees	—	—	1	—
Proceeds from redeemable units issued	24 352	56 018	106 027	73 319
Reinvestments of distributions to holders of redeemable units	34 017	17 297	40 335	19 887
Redemption of redeemable units	(66 777)	(26 156)	(107 998)	(48 921)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(8 408)	47 159	38 365	44 285
Distributions from net income	(5 760)	(2 070)	(5 777)	(2 070)
Distributions from net gains	(31 855)	(17 219)	(39 115)	(20 088)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(37 615)	(19 289)	(44 892)	(22 158)
NET INCREASE (DECREASE) IN NAV	22 901	118 011	68 388	125 672
NAV AT END OF PERIOD	\$ 707 782	\$ 684 881	\$ 867 392	\$ 799 004

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	25.4	26.7
Industrials	20.7	22.8
Health Care	20.3	17.5
Consumer Discretionary	12.1	11.6
Financials	9.0	8.8
Consumer Staples	6.2	5.4
Materials	2.8	2.8
Real Estate	1.7	1.7
Energy	1.2	1.9
Cash/Other	0.6	0.8
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.9	100.0
Total	99.9	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell Midcap Growth Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	862 431	–	–	862 431
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	862 431	–	–	862 431
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	792 393	–	–	792 393
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	792 393	–	–	792 393
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 837	3 100
Issued number of units	453	204
Reinvested number of units	121	65
Redeemed number of units	(554)	(532)
Ending number of units	2 857	2 837
Advisor Series		
Opening units	75	75
Issued number of units	73	35
Reinvested number of units	5	2
Redeemed number of units	(39)	(37)
Ending number of units	114	75
Series D		
Opening units	341	303
Issued number of units	626	111
Reinvested number of units	29	8
Redeemed number of units	(376)	(81)
Ending number of units	620	341
Series F		
Opening units	357	261
Issued number of units	948	192
Reinvested number of units	37	5
Redeemed number of units	(169)	(101)
Ending number of units	1 173	357

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	18 409	17 075
Issued number of units	590	1 625
Reinvested number of units	895	455
Redeemed number of units	(1 565)	(746)
Ending number of units	18 329	18 409

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	74	100	96	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	60	81	71	74

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Fair value of securities loaned	161 645		221 834	
Fair value of collateral received	164 878		226 270	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	281	100	426	100
RBC IS (paid)	(70)	(25)	(122)	(29)
Tax withheld	(19)	(7)	(29)	(7)
Fund revenue	192	68	275	64

Please see the generic notes at the back of the financial statements.



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Fund	2.8	3.4
RBC Global Balanced Fund	0.7	0.8
RBC Select Aggressive Growth Portfolio	3.4	3.3
RBC Select Balanced Portfolio	37.8	38.2
RBC Select Growth Portfolio	10.7	11.8
RBC Target 2020 Education Fund	0.4	0.9
RBC Target 2025 Education Fund	2.9	3.5
RBC Target 2030 Education Fund	3.4	3.6
RBC Target 2035 Education Fund	0.4	0.1
RBC U.S. Equity Currency Neutral Fund	0.2	0.2
RBC U.S. Equity Fund	9.8	9.7
Total	72.5	75.5

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC U.S. MID-CAP GROWTH EQUITY CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Consumer Discretionary				
1 630	Bright Horizons Family Solutions Inc.	\$ 162	\$ 248	
870	Burlington Stores Inc.	180	193	
2 170	Dollar Tree Inc.	160	268	
3 410	LKQ Corp.	99	110	
600	MercadoLibre Inc.	100	240	
1 890	Nordstrom Inc.	120	120	
470	O'Reilly Automotive Inc.	94	221	
2 370	Tractor Supply Co.	178	270	
1 936	Under Armour Inc.	18	43	
2 530	Under Armour Inc., Class A	81	61	
		1 192	1 774	12.6
Consumer Staples				
1 220	Casey's General Stores Inc.	186	213	
2 390	Church & Dwight Co. Inc.	95	215	
1 200	Ingredion Inc.	117	150	
1 150	McCormick & Co. Inc.	102	219	
1 720	Treehouse Foods Inc.	117	119	
		617	916	6.5
Energy				
750	Concho Resources Inc.	90	106	
880	Core Laboratories N.V.	121	72	
		211	178	1.3
Financials				
710	Affiliated Managers Group Inc.	116	94	
6 060	Brown & Brown Inc.	131	228	
620	Factset Research Systems Inc.	90	169	
80	Markel Corp.	111	113	
2 260	Raymond James Financial Corp.	154	230	
1 960	RLI Corp.	161	185	
1 070	Signature Bank	117	150	
1 250	T. Rowe Price Group Inc.	110	158	
		990	1 327	9.4
Health Care				
810	Abiomed Inc.	132	360	
510	Align Technology Inc.	68	146	
860	Bio-Techne Corp.	212	170	
730	Cooper Co. Inc.	154	254	
1 640	DaVita Inc.	138	115	
3 080	Globus Medical Inc., Class A	114	182	
2 540	HealthEquity Inc.	158	207	
2 080	Henry Schein Inc.	131	223	
690	IDEXX Laboratories Inc.	68	175	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
810	Laboratory Corp. of America Holdings	\$ 113	\$ 140	
280	Mettler-Toledo International Inc.	93	216	
1 490	STERIS Plc.	155	217	
1 100	Varian Medical Systems Inc.	98	170	
880	Waters Corp.	119	227	
1 550	West Pharmaceutical Services Inc.	205	207	
		1 958	3 009	21.3
Industrials				
980	Acuity Brands Inc.	249	154	
2 060	Ametek Inc.	117	190	
1 790	Clean Harbors Inc.	112	121	
3 020	Copart Inc.	90	197	
330	Grainger (W.W.) Inc.	77	127	
3 412	IHS Markit Ltd.	166	224	
1 120	J.B. Hunt Transport Services Inc.	91	142	
1 300	Landstar System Inc.	101	170	
790	Middleby Corp.	102	111	
1 520	MSC Industrial Direct Co.	145	160	
670	Roper Technologies Inc.	117	244	
680	Teledyne Technologies Inc.	162	192	
1 290	Verisk Analytics Inc.	95	192	
1 170	WABCO Holdings Inc.	201	171	
1 730	Wabtec Corp.	207	166	
2 475	Waste Connections Inc.	141	251	
2 360	Woodward Inc.	172	239	
		2 345	3 051	21.6
Information Technology				
1 850	Akamai Technologies Inc.	151	154	
520	Alliance Data Systems Corp.	170	107	
1 070	Ansys Inc.	110	209	
650	Arista Networks Inc.	142	187	
1 920	Aspen Technology Inc.	124	215	
1 800	Autodesk Inc.	142	316	
2 150	CDW Corp.	190	238	
730	F5 Networks Inc.	89	161	
1 170	Fortinet Inc.	112	112	
1 300	Global Payments Inc.	148	183	
660	IPG Photonics Corp.	64	102	
850	Jack Henry & Associates Inc.	176	147	
2 450	RealPage Inc.	200	161	
1 490	Red Hat Inc.	141	357	
2 210	SynOpsys Inc.	119	254	
610	Tyler Technologies Inc.	145	155	
1 130	Verisign Inc.	86	229	
1 330	WEX Inc.	148	254	
970	Zebra Technologies Corp.	116	211	
		2 573	3 752	26.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
1 910	Aptargroup Inc.	\$ 161	\$ 245	
2 970	Fuller (H.B.) Co.	197	173	
		358	418	3.0
Real Estate				
1 020	Alexandria Real Estate Equities Inc.	151	160	
2 950	Healthcare Trust of America Inc. Real Estate Investment Trust	121	102	
		272	262	1.9
		10 516	14 687	104.2
TOTAL COMMON EQUITIES				
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	85	0.6
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(655)	(4.6)
TOTAL PORTFOLIO				
		\$ 10 516	14 117	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(25)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 14 092		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 36 Sold USD 26 @ 1.3636	02-Jan-2019	\$ —
Bought USD 23 Sold CAD 30 @ 0.7559	07-Jan-2019	1
Bought CAD 75 Sold USD 55 @ 1.3628	23-Jan-2019	—
Bought USD 537 Sold CAD 700 @ 0.7676	23-Jan-2019	33
Bought USD 66 Sold CAD 87 @ 0.7618	23-Jan-2019	3
Bought USD 299 Sold CAD 400 @ 0.7463	23-Jan-2019	7
Bought USD 31 Sold CAD 40 @ 0.7660	24-Jan-2019	2
Bought USD 224 Sold CAD 300 @ 0.7473	30-Jan-2019	6
Bought USD 167 Sold CAD 225 @ 0.7430	05-Feb-2019	3
Bought USD 258 Sold CAD 350 @ 0.7363	05-Feb-2019	1
Bought USD 142 Sold CAD 190 @ 0.7482	12-Feb-2019	4
Bought USD 25 Sold CAD 33 @ 0.7450	12-Feb-2019	1
Bought USD 147 Sold CAD 200 @ 0.7361	12-Feb-2019	1
Bought USD 238 Sold CAD 316 @ 0.7525	13-Feb-2019	8
Bought USD 143 Sold CAD 190 @ 0.7528	13-Feb-2019	5
Bought USD 237 Sold CAD 320 @ 0.7395	13-Feb-2019	3
Bought USD 97 Sold CAD 130 @ 0.7467	19-Feb-2019	2
Bought CAD 200 Sold USD 147 @ 1.3613	25-Feb-2019	—
Bought USD 166 Sold CAD 222 @ 0.7478	19-Mar-2019	5
		\$ 85

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 597 Sold USD 1 236 @ 1.2918	07-Jan-2019	\$ (90)
Bought CAD 100 Sold USD 76 @ 1.3192	11-Jan-2019	(3)
Bought CAD 1 705 Sold USD 1 323 @ 1.2891	23-Jan-2019	(100)
Bought CAD 221 Sold USD 169 @ 1.3094	23-Jan-2019	(9)
Bought CAD 500 Sold USD 380 @ 1.3154	23-Jan-2019	(19)
Bought CAD 279 Sold USD 215 @ 1.2981	25-Jan-2019	(14)
Bought CAD 1 894 Sold USD 1 446 @ 1.3098	05-Feb-2019	(78)
Bought CAD 68 Sold USD 51 @ 1.3363	06-Feb-2019	(1)
Bought CAD 431 Sold USD 330 @ 1.3065	11-Feb-2019	(19)
Bought CAD 175 Sold USD 134 @ 1.3070	11-Feb-2019	(8)
Bought CAD 300 Sold USD 229 @ 1.3076	11-Feb-2019	(13)
Bought CAD 130 Sold USD 99 @ 1.3198	11-Feb-2019	(4)
Bought CAD 1 856 Sold USD 1 418 @ 1.3089	12-Feb-2019	(78)
Bought CAD 300 Sold USD 229 @ 1.3088	13-Feb-2019	(13)
Bought CAD 698 Sold USD 533 @ 1.3086	14-Feb-2019	(29)
Bought CAD 588 Sold USD 445 @ 1.3222	19-Feb-2019	(18)
Bought CAD 1 976 Sold USD 1 501 @ 1.3163	25-Feb-2019	(71)
Bought CAD 37 Sold USD 28 @ 1.3275	04-Mar-2019	(1)
Bought CAD 250 Sold USD 188 @ 1.3276	11-Mar-2019	(7)
Bought CAD 671 Sold USD 507 @ 1.3236	13-Mar-2019	(20)
Bought CAD 667 Sold USD 499 @ 1.3378	19-Mar-2019	(12)
Bought CAD 1 479 Sold USD 1 104 @ 1.3398	19-Mar-2019	(27)
Bought CAD 1 282 Sold USD 956 @ 1.3406	21-Mar-2019	(21)
		\$ (655)
TOTAL FOREIGN EXCHANGE		\$ (570)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 14 687	\$ 12 014
Cash	66	347
Subscriptions receivable	1	4
Unrealized gain on foreign exchange contracts	85	165
Dividends receivable, interest accrued and other assets	4	3
TOTAL ASSETS	14 843	12 533
LIABILITIES		
Redemptions payable	76	4
Unrealized loss on foreign exchange contracts	655	6
Accounts payable and accrued expenses	20	20
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	751	30
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 14 092	\$ 12 503
Investments at cost	\$ 10 516	\$ 7 960
NAV		
SERIES A	\$ 7 447	\$ 7 965
ADVISOR SERIES	\$ 769	\$ 698
SERIES D	\$ 2 755	\$ 1 449
SERIES F	\$ 3 121	\$ 2 391
NAV PER UNIT		
SERIES A	\$ 14.40	\$ 14.73
ADVISOR SERIES	\$ 14.50	\$ 14.82
SERIES D	\$ 15.89	\$ 16.12
SERIES F	\$ 16.57	\$ 16.75

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 135	\$ 69
Interest for distribution purposes	7	1
Income from investment trusts	5	—
Derivative income	(628)	402
Net realized gain (loss) on investments	794	563
Change in unrealized gain (loss) on investments	(612)	1 209
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(299)	2 244
Securities lending revenue (see note 7 in the generic notes)	2	3
Net gain (loss) on foreign cash balances	38	(8)
TOTAL OTHER INCOME (LOSS)	40	(5)
TOTAL INCOME (LOSS)	(259)	2 239
EXPENSES (see notes – Fund Specific Information)		
Management fees	210	169
Administration fees	18	15
Independent Review Committee costs	2	3
GST/HST	23	19
Transaction costs	1	2
Withholding tax	12	9
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	264	214
INCREASE (DECREASE) IN NAV	\$ (523)	\$ 2 025
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (177)	\$ 1 408
ADVISOR SERIES	\$ (25)	\$ 95
SERIES D	\$ (194)	\$ 191
SERIES F	\$ (127)	\$ 331
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.33)	\$ 2.42
ADVISOR SERIES	\$ (0.51)	\$ 2.44
SERIES D	\$ (1.51)	\$ 2.71
SERIES F	\$ (0.69)	\$ 2.96



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31

(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (523)	\$ 2 025
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(792)	(562)
Change in unrealized loss (gain) on investments	612	(1 209)
(Increase) decrease in accrued receivables	(1)	1
Increase (decrease) in accrued payables	—	4
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 253)	(2 337)
Proceeds from sale and maturity of investments	2 489	1 630
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(2 468)	(448)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	6 930	3 311
Cash paid on redemption of redeemable units	(4 743)	(2 849)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 2 187	\$ 462
Net increase (decrease) in cash for the period	(281)	14
Cash (bank overdraft), beginning of period	347	333
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 66	\$ 347
Interest received (paid)	\$ 7	\$ 1
Dividends received, net of withholding taxes	\$ 122	\$ 61

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 965	\$ 7 644	\$ 698	\$ 314	\$ 1 449	\$ 774
INCREASE (DECREASE) IN NAV	(177)	1 408	(25)	95	(194)	191
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	2 179	1 130	196	492	2 768	963
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—
Redemption of redeemable units	(2 520)	(2 217)	(100)	(203)	(1 268)	(479)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(341)	(1 087)	96	289	1 500	484
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(518)	321	71	384	1 306	675
NAV AT END OF PERIOD	\$ 7 447	\$ 7 965	\$ 769	\$ 698	\$ 2 755	\$ 1 449

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 391	\$ 1 352	\$ 12 503	\$ 10 084
INCREASE (DECREASE) IN NAV	(127)	331	(523)	2 025
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	2 479	1 154	7 622	3 739
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(1 622)	(446)	(5 510)	(3 345)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	857	708	2 112	394
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	730	1 039	1 589	2 419
NAV AT END OF PERIOD	\$ 3 121	\$ 2 391	\$ 14 092	\$ 12 503

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	26.6	26.0
Industrials	21.6	22.0
Health Care	21.3	16.9
Consumer Discretionary	12.6	11.2
Financials	9.4	8.5
Consumer Staples	6.5	5.2
Materials	3.0	2.7
Real Estate	1.9	1.8
Energy	1.3	1.8
Cash/Other	(4.2)	3.9
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell Midcap Growth Index (USD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	14 687	–	–	14 687
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	85	–	85
Derivatives – liabilities	–	(655)	–	(655)
Total financial instruments	14 687	(570)	–	14 117
% of total portfolio	104.0	(4.0)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	12 014	–	–	12 014
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	165	–	165
Derivatives – liabilities	–	(6)	–	(6)
Total financial instruments	12 014	159	–	12 173
% of total portfolio	98.7	1.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	109	109
Series D	911	911
Value of all units	16	16

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	3 089
Non-capital losses	448
Non-capital losses expire in:	
2035	164
2033	173
2031	20
2028	91

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	541	621
Issued number of units	136	85
Reinvested number of units	—	—
Redeemed number of units	(160)	(165)
Ending number of units	517	541

Advisor Series		
Opening units	47	25
Issued number of units	12	37
Reinvested number of units	—	—
Redeemed number of units	(6)	(15)
Ending number of units	53	47

Series D		
Opening units	90	58
Issued number of units	155	64
Reinvested number of units	—	—
Redeemed number of units	(72)	(32)
Ending number of units	173	90

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	143	98
Issued number of units	135	74
Reinvested number of units	—	—
Redeemed number of units	(90)	(29)
Ending number of units	188	143

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1	100	2	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	1	100	1	50

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 432	2 464
Fair value of collateral received	1 461	2 513

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	4	100	6	100
RBC IS (paid)	(2)	(25)	(2)	(29)
Tax withheld	—	(8)	(1)	(11)
Fund revenue	2	67	3	60



December 31, 2018

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	85	(655)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	85	(655)
Related amounts not set-off	(85)	85
Collateral (received) pledged	–	–
Net amount	–	(570)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	165	(6)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	165	(6)
Related amounts not set-off	(5)	5
Collateral (received) pledged	–	–
Net amount	160	(1)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. MID-CAP VALUE EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
95 290	CBS Corp.	\$ 6 793	\$ 5 688	
104 503	Nexstar Media Group Inc.	9 593	11 219	
		16 386	16 907	2.8
Consumer Discretionary				
78 710	Grand Canyon Education Inc.	9 899	10 330	
26 120	Helen Of Troy Ltd.	3 971	4 678	
38 159	Lear Corp.	8 693	6 400	
91 800	Lennar Corp.	5 825	4 906	
37 448	Marriott Vacations Worldwide Corp.	5 167	3 604	
48 460	Mohawk Industries Inc.	13 298	7 734	
431 135	TRI Pointe Homes Inc.	7 212	6 432	
		54 065	44 084	7.3
Consumer Staples				
457 591	Hostess Brands Inc., Class A	7 456	6 844	
49 940	Post Holdings Inc.	5 873	6 077	
84 439	The J.M. Smucker Company	12 182	10 777	
387 340	The Kroger Co.	15 377	14 542	
		40 888	38 240	6.3
Energy				
189 620	Cabot Oil & Gas Corp.	6 422	5 786	
534 753	Callon Petroleum Co.	8 716	4 727	
58 571	Concho Resources Inc.	11 140	8 219	
57 550	Diamondback Energy Inc.	8 382	7 288	
115 416	Marathon Petroleum Corp.	12 194	9 298	
238 484	Parsley Energy Inc.	8 386	5 198	
		55 240	40 516	6.7
Financials				
172 870	Chemical Financial Corp.	12 429	8 640	
268 967	Citizens Financial Group Inc.	11 167	10 911	
227 790	FNF Group	10 910	9 773	
83 168	Hartford Financial Services Inc.	4 937	5 045	
296 021	National General Holdings Corp.	7 746	9 784	
182 900	PacWest Bancorp	12 736	8 310	
139 730	Pinnacle Financial Partners Inc.	11 628	8 794	
221 930	Popular Inc.	13 660	14 307	
62 058	Signature Bank	10 895	8 710	
17 254	SVB Financial Group	3 395	4 474	
169 550	Synchrony Financial	6 344	5 430	
102 780	Texas Capital Bancshares Inc.	12 043	7 169	
		117 890	101 347	16.8
Health Care				
81 401	Centene Corp.	9 323	12 817	
82 920	Jazz Pharmaceuticals Plc.	14 569	14 033	
70 400	Laboratory Corp. of America Holdings	14 217	12 146	
		38 109	38 996	6.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
397 086	Arcosa Inc.	\$ 13 986	\$ 15 011	
77 849	Carlisle Cos. Inc.	10 639	10 683	
64 080	Dycom Industries Inc.	9 199	4 728	
247 004	Gardner Denver Holdings Inc.	7 909	6 896	
101 870	Kansas City Southern Industries Inc.	15 276	13 277	
239 400	Kennametal Inc.	11 426	10 877	
99 660	Moog Inc., Class A	10 591	10 530	
62 300	Old Dominion Freight Line Inc.	11 091	10 503	
117 192	Oshkosh Truck Corp.	11 827	9 809	
198 500	Owens Corning	16 438	11 918	
83 930	Patrick Industries Inc.	7 131	3 393	
351 110	Trinity Industries	15 426	9 870	
		140 939	117 495	19.5
Information Technology				
502 005	Cypress Semiconductor Corp.	8 782	8 717	
76 660	Euronet Worldwide Inc.	7 748	10 715	
164 221	Integrated Device Technology Inc.	5 626	10 858	
53 682	Zebra Technologies Corp.	7 057	11 669	
		29 213	41 959	6.9
Materials				
104 710	Eagle Materials Inc.	10 087	8 721	
326 540	Huntsman Corp.	12 273	8 599	
263 966	Steel Dynamics Inc.	10 353	10 825	
175 560	The Mosaic Co.	8 172	7 001	
82 241	WestRock Co.	5 367	4 240	
		46 252	39 386	6.5
Real Estate				
79 230	Apartment Investment & Management Co.	4 493	4 746	
24 360	Boston Properties Inc.	3 808	3 743	
521 500	DiamondRock Hospitality Co. Real Estate Investment Trust	7 408	6 465	
54 925	Digital Realty Trust Inc.	8 633	7 990	
54 520	Extra Space Storage Inc. Real Estate Investment Trust	5 613	6 734	
183 218	First Industrial Realty Trust Inc. Real Estate Investment Trust	6 911	7 219	
210 184	Healthcare Trust of America Inc. Real Estate Investment Trust	8 382	7 263	
61 190	Highwoods Properties Inc.	3 992	3 233	
276 720	VICI Properties Inc. Real Estate Investment Trust	7 745	7 095	
184 890	Weyerhaeuser Company Ltd.	7 504	5 514	
		64 489	60 002	9.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
181 395	CMS Energy Corp.	\$ 10 352	\$ 12 292	
70 117	DTE Energy Company	9 250	10 558	
100 720	Evergy Inc.	6 983	7 806	
164 120	NRG Energy Inc.	5 641	8 873	
56 350	Spire Inc.	5 846	5 699	
417 542	Vistra Energy Corp.	10 929	13 048	
		49 001	58 276	9.7
TOTAL COMMON EQUITIES		<u>\$ 652 472</u>	597 208	98.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			6 718	1.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 603 926</u>	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 597 208	\$ 631 067
Cash	7 731	1 095
Due from investment dealers	245	6 382
Subscriptions receivable	38	294
Dividends receivable, interest accrued and other assets	740	892
TOTAL ASSETS	605 962	639 730
LIABILITIES		
Due to investment dealers	1 881	4 927
Redemptions payable	45	62
Accounts payable and accrued expenses	110	131
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 036	5 120
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 603 926	\$ 634 610
Investments at cost	\$ 652 472	\$ 608 021
NAV		
SERIES A	\$ 13 812	\$ 20 944
ADVISOR SERIES	\$ 6 957	\$ 12 296
SERIES D	\$ 3 798	\$ 5 384
SERIES F	\$ 17 662	\$ 12 145
SERIES O	\$ 561 697	\$ 583 841
NAV PER UNIT		
SERIES A	\$ 10.56	\$ 11.91
ADVISOR SERIES	\$ 10.58	\$ 11.94
SERIES D	\$ 11.22	\$ 12.64
SERIES F	\$ 11.43	\$ 12.89
SERIES O	\$ 11.56	\$ 13.03

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 12 474	\$ 8 713
Interest for distribution purposes	145	44
Income from investment trusts	1 031	—
Derivative income	(57)	(32)
Net realized gain (loss) on investments	1 336	17 688
Change in unrealized gain (loss) on investments	(78 310)	(44 076)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(63 381)	(17 663)
Net gain (loss) on foreign cash balances	1 078	(254)
TOTAL OTHER INCOME (LOSS)	1 078	(254)
TOTAL INCOME (LOSS)	(62 303)	(17 917)
EXPENSES (see notes – Fund Specific Information)		
Management fees	644	931
Administration fees	674	636
Independent Review Committee costs	2	3
GST/HST	129	158
Transaction costs	524	1 454
Withholding tax	1 320	1 190
TOTAL EXPENSES	3 293	4 372
INCREASE (DECREASE) IN NAV	\$ (65 596)	\$ (22 289)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 716)	\$ (1 400)
ADVISOR SERIES	\$ (807)	\$ (960)
SERIES D	\$ (426)	\$ (332)
SERIES F	\$ (2 575)	\$ (1 241)
SERIES O	\$ (60 072)	\$ (18 356)
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.16)	\$ (0.74)
ADVISOR SERIES	\$ (1.02)	\$ (0.82)
SERIES D	\$ (1.17)	\$ (0.61)
SERIES F	\$ (2.12)	\$ (0.80)
SERIES O	\$ (1.28)	\$ (0.46)

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (65 596)	\$ (22 289)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(874)	(16 203)
Change in unrealized loss (gain) on investments	78 310	44 076
(Increase) decrease in accrued receivables	152	(170)
Increase (decrease) in accrued payables	(21)	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(342 728)	(885 210)
Proceeds from sale and maturity of investments	302 242	796 574
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(28 515)	(83 224)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	123 188	159 553
Cash paid on redemption of redeemable units	(87 892)	(80 236)
Distributions paid to holders of redeemable units	(145)	(938)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 35 151	\$ 78 379
Net increase (decrease) in cash for the period	6 636	(4 845)
Cash (bank overdraft), beginning of period	1 095	5 940
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 7 731	\$ 1 095
Interest received (paid)	\$ 145	\$ 44
Dividends received, net of withholding taxes	\$ 11 306	\$ 7 353

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 20 944	\$ 23 881	\$ 12 296	\$ 13 787	\$ 5 384	\$ 8 441	\$ 12 145	\$ 16 112
INCREASE (DECREASE) IN NAV	(1 716)	(1 400)	(807)	(960)	(426)	(332)	(2 575)	(1 241)
Early redemption fees	—	—	—	—	—	—	—	1
Proceeds from redeemable units issued	1 993	8 400	854	6 405	1 280	3 935	17 751	21 385
Reinvestments of distributions to holders of redeemable units	—	1 305	—	673	28	333	153	474
Redemption of redeemable units	(7 409)	(9 900)	(5 386)	(6 814)	(2 439)	(6 651)	(9 628)	(23 784)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 416)	(195)	(4 532)	264	(1 131)	(2 383)	8 276	(1 924)
Distributions from net income	—	—	—	—	(29)	—	(184)	(18)
Distributions from net gains	—	(1 342)	—	(795)	—	(342)	—	(784)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	(1 342)	—	(795)	(29)	(342)	(184)	(802)
NET INCREASE (DECREASE) IN NAV	(7 132)	(2 937)	(5 339)	(1 491)	(1 586)	(3 057)	5 517	(3 967)
NAV AT END OF PERIOD	\$ 13 812	\$ 20 944	\$ 6 957	\$ 12 296	\$ 3 798	\$ 5 384	\$ 17 662	\$ 12 145

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 583 841	\$ 516 568	\$ 634 610	\$ 578 789
INCREASE (DECREASE) IN NAV	(60 072)	(18 356)	(65 596)	(22 289)
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	112 740	121 886	134 618	162 011
Reinvestments of distributions to holders of redeemable units	10 321	41 643	10 502	44 428
Redemption of redeemable units	(74 699)	(35 807)	(99 561)	(82 956)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	48 362	127 722	45 559	123 484
Distributions from net income	(10 434)	(5 633)	(10 647)	(5 651)
Distributions from net gains	—	(36 460)	—	(39 723)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 434)	(42 093)	(10 647)	(45 374)
NET INCREASE (DECREASE) IN NAV	(22 144)	67 273	(30 684)	55 821
NAV AT END OF PERIOD	\$ 561 697	\$ 583 841	\$ 603 926	\$ 634 610

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Industrials	19.5	10.0
Financials	16.8	19.7
Real Estate	9.9	10.4
Utilities	9.7	9.0
Consumer Discretionary	7.3	16.0
Information Technology	6.9	10.6
Energy	6.7	8.5
Health Care	6.5	7.1
Materials	6.5	4.9
Consumer Staples	6.3	2.8
Communication Services	2.8	0.4
Cash/Other	1.1	0.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell Midcap Value Index (CAD)	+ or - 1.2	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	597 208	—	—	597 208
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	597 208	—	—	597 208
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	631 067	—	—	631 067
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	631 067	—	—	631 067
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	23 081
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 758	1 784
Issued number of units	165	627
Reinvested number of units	—	108
Redeemed number of units	(615)	(761)
Ending number of units	1 308	1 758
Advisor Series		
Opening units	1 030	1 028
Issued number of units	70	476
Reinvested number of units	—	55
Redeemed number of units	(443)	(529)
Ending number of units	657	1 030
Series D		
Opening units	426	599
Issued number of units	99	282
Reinvested number of units	3	26
Redeemed number of units	(189)	(481)
Ending number of units	339	426
Series F		
Opening units	943	1 124
Issued number of units	1 316	1 493
Reinvested number of units	14	36
Redeemed number of units	(728)	(1 710)
Ending number of units	1 545	943

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	44 818	35 639
Issued number of units	8 465	8 589
Reinvested number of units	901	3 140
Redeemed number of units	(5 575)	(2 550)
Ending number of units	48 609	44 818

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	524	100	1 454	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	505	96	807	56

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North LifeTime 2020 Fund	—	0.1
Phillips, Hager & North LifeTime 2025 Fund	0.1	0.1
Phillips, Hager & North LifeTime 2030 Fund	0.2	0.1
Phillips, Hager & North LifeTime 2035 Fund	0.2	0.2
Phillips, Hager & North LifeTime 2040 Fund	0.4	0.3
Phillips, Hager & North LifeTime 2045 Fund	0.8	0.7
Phillips, Hager & North LifeTime 2050 Fund	0.4	0.2
Phillips, Hager & North LifeTime 2055 Fund	—	—
RBC Balanced Fund	2.3	4.3
RBC Global Balanced Fund	0.6	0.9
RBC Global Growth & Income Fund	2.1	1.2
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.2	0.1
RBC Retirement 2030 Portfolio	0.3	0.2
RBC Retirement 2035 Portfolio	0.3	0.1
RBC Retirement 2040 Portfolio	0.2	0.1
RBC Retirement 2045 Portfolio	0.2	0.1
RBC Retirement 2050 Portfolio	0.2	0.1
RBC Select Aggressive Growth Portfolio	4.6	4.3
RBC Select Balanced Portfolio	49.5	43.9
RBC Select Growth Portfolio	14.2	13.3
RBC Total Return Growth Fund	—	—
RBC U.S. Equity Currency Neutral Fund	0.2	0.2
RBC U.S. Equity Fund	8.8	11.3
RBC U.S. Mid-Cap Value Equity Class	0.2	0.4
Total	86.1	82.3



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. SMALL-CAP CORE EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
137 030	Glu Mobile Inc.	\$ 1 151	\$ 1 507	
142 921	Gray Television Inc.	2 679	2 876	
24 690	Nexstar Media Group Inc.	2 158	2 651	
103 780	Vonage Holdings Corp.	1 022	1 235	
		7 010	8 269	5.8
Consumer Discretionary				
4 520	Carriage Services Inc.	141	96	
7 400	Cavco Industries Inc.	1 072	1 317	
4 730	Dave & Buster's Entertainment Inc.	288	288	
268 035	Destination XL Group Inc.	1 320	794	
8 204	Fox Factory Holding Corp.	191	659	
29 560	G-III Apparel Group Ltd.	1 450	1 126	
40 164	Grand Canyon Education Inc.	2 477	5 272	
11 040	Helen Of Troy Ltd.	1 724	1 977	
27 260	LCI Industries	2 404	2 486	
54 443	Malibu Boats Inc.	1 353	2 589	
31 172	Steven Madden Ltd.	841	1 289	
85 940	Stoneridge Inc.	2 861	2 890	
25 560	Tilly's Inc., Class A	616	379	
44 973	Universal Electronics Inc.	1 678	1 552	
208 742	Zagg Inc.	2 575	2 787	
		20 991	25 501	17.9
Consumer Staples				
39 570	Hostess Brands Inc., Class A	740	592	
31 975	Landec Corp.	486	517	
15 440	The Andersons Inc.	812	630	
		2 038	1 739	1.2
Energy				
160 060	Callon Petroleum Co.	2 687	1 415	
84 130	Magnolia Oil & Gas Corp., Class A	1 453	1 288	
240 401	Ring Energy Inc.	3 852	1 667	
		7 992	4 370	3.1
Financials				
49 520	Amerisafe Inc.	2 265	3 833	
14 450	Bancfirst Corp.	692	984	
52 520	Chemical Financial Corp.	2 683	2 625	
369 370	Compass Diversified Holdings	7 378	6 278	
5 760	James River Group Holdings Ltd.	295	287	
52 280	LegacyTexas Financial Group Inc.	2 999	2 290	
56 293	Pacific Premier Bancorp Inc.	2 332	1 961	
26 720	Texas Capital Bancshares Inc.	1 924	1 864	
72 540	United Community Banks Inc.	2 407	2 125	
24 870	Wintrust Financial Corp.	2 394	2 258	
		25 369	24 505	17.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
58 188	Emergent Biosolutions Inc.	\$ 2 526	\$ 4 709	
54 855	Globus Medical Inc., Class A	2 230	3 241	
15 140	Masimo Corp.	1 073	2 219	
20 300	West Pharmaceutical Services Inc.	1 014	2 716	
		6 843	12 885	9.0
Industrials				
395 457	ACCO Brands Corp.	4 911	3 660	
41 060	Arcosa Inc.	1 489	1 552	
93 921	Astronics Corp.	3 834	3 904	
8 630	AZZ Inc.	387	475	
170 935	Columbus McKinnon Corp.	5 181	7 033	
78 389	Ducommun Inc.	2 268	3 892	
4 640	Dycom Industries Inc.	540	342	
22 920	EnerSys	1 761	2 428	
73 031	Insteel Industries Inc.	2 010	2 421	
51 620	Kennametal Inc.	2 540	2 345	
20 727	Lydall Inc.	1 324	574	
106 196	NN Inc.	3 087	973	
430	Old Dominion Freight Line Inc.	18	72	
128 004	Patrick Industries Inc.	4 519	5 174	
45 780	PGT Innovations Inc.	1 306	991	
11 550	Spirit Airlines Inc.	765	913	
78 493	The Greenbrier Co. Inc.	3 832	4 233	
		39 772	40 982	28.8
Information Technology				
16 600	Ambarella Inc.	1 259	793	
3 010	Coherent Inc.	722	434	
54 980	Cohu Inc.	1 814	1 206	
14 910	GTT Communications Inc.	802	482	
28 930	InterDigital Inc.	2 104	2 624	
36 569	MKS Instruments Inc.	3 072	3 229	
50 650	Model N Inc.	1 200	915	
111 494	Synchronoss Technologies Inc.	3 465	935	
36 969	Tessco Technologies Inc.	985	606	
6 253	Tyler Technologies Inc.	758	1 585	
		16 181	12 809	9.0
Materials				
39 790	Ferro Corp.	858	851	
34 046	FutureFuel Corp.	510	737	
46 807	Koppers Holdings Inc.	1 969	1 089	
244 671	Omnova Solutions Inc.	2 477	2 448	
90 766	Universal Stainless & Alloy	3 315	2 009	
		9 129	7 134	5.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate				
28 150	Physicians Realty Trust Real Estate Investment Trust	\$ 720	\$ 616	
		720	616	0.4
Utilities				
8 090	Southwest Gas Holdings Inc.	829	845	
14 260	Spire Inc.	1 019	1 442	
		1 848	2 287	1.6
TOTAL COMMON EQUITIES		137 893	141 097	99.0
UNDERLYING FUNDS				
160	iShares Russell 2000 Fund	29	29	
TOTAL UNDERLYING FUNDS		29	29	—
TOTAL INVESTMENTS		\$ 137 922	141 126	99.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			1 447	1.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$ 142 573	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 141 126	\$ 228 963
Cash	1 574	2 800
Due from investment dealers	268	290
Subscriptions receivable	231	228
Dividends receivable, interest accrued and other assets	43	242
TOTAL ASSETS	143 242	232 523
LIABILITIES		
Due to investment dealers	112	420
Redemptions payable	517	283
Accounts payable and accrued expenses	40	67
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	669	770
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 142 573	\$ 231 753
Investments at cost	\$ 137 922	\$ 174 323
NAV		
SERIES A	\$ 7 904	\$ 13 495
ADVISOR SERIES	\$ 2 083	\$ 3 739
SERIES D	\$ 4 680	\$ 7 743
SERIES F	\$ 4 175	\$ 12 255
SERIES O	\$ 123 731	\$ 194 521
NAV PER UNIT		
SERIES A	\$ 16.16	\$ 21.21
ADVISOR SERIES	\$ 16.18	\$ 21.24
SERIES D	\$ 17.04	\$ 22.29
SERIES F	\$ 17.26	\$ 22.59
SERIES O	\$ 17.35	\$ 22.77

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3 033	\$ 2 476
Interest for distribution purposes	26	24
Income from investment trusts	32	—
Derivative income	1	(18)
Net realized gain (loss) on investments	10 494	14 478
Change in unrealized gain (loss) on investments	(51 436)	(4 573)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(37 850)	12 387
Securities lending revenue		
(see note 7 in the generic notes)	37	42
Net gain (loss) on foreign cash balances	170	(260)
TOTAL OTHER INCOME (LOSS)	207	(218)
TOTAL INCOME (LOSS)	(37 643)	12 169
EXPENSES (see notes – Fund Specific Information)		
Management fees	366	489
Administration fees	217	212
Independent Review Committee costs	2	3
GST/HST	61	72
Transaction costs	165	146
Withholding tax	432	508
TOTAL EXPENSES	1 243	1 430
INCREASE (DECREASE) IN NAV	\$ (38 886)	\$ 10 739
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 018)	\$ 300
ADVISOR SERIES	\$ (531)	\$ 51
SERIES D	\$ (1 135)	\$ 234
SERIES F	\$ (914)	\$ 601
SERIES O	\$ (34 288)	\$ 9 553
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (3.74)	\$ 0.44
ADVISOR SERIES	\$ (3.75)	\$ 0.25
SERIES D	\$ (3.99)	\$ 0.66
SERIES F	\$ (2.81)	\$ 1.07
SERIES O	\$ (4.05)	\$ 1.19

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (38 886)	\$ 10 739
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(10 309)	(14 345)
Change in unrealized loss (gain) on investments	51 436	4 573
(Increase) decrease in accrued receivables	199	150
Increase (decrease) in accrued payables	(27)	9
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(51 191)	(111 258)
Proceeds from sale and maturity of investments	97 615	67 974
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	48 837	(42 158)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	35 724	84 358
Cash paid on redemption of redeemable units	(81 057)	(44 644)
Distributions paid to holders of redeemable units	(4 730)	(3 397)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (50 063)	\$ 36 317
Net increase (decrease) in cash for the period	(1 226)	(5 841)
Cash (bank overdraft), beginning of period	2 800	8 641
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 574	\$ 2 800
Interest received (paid)	\$ 26	\$ 24
Dividends received, net of withholding taxes	\$ 2 803	\$ 2 118

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 13 495	\$ 14 570	\$ 3 739	\$ 4 468	\$ 7 743	\$ 7 706	\$ 12 255	\$ 7 915
INCREASE (DECREASE) IN NAV	(2 018)	300	(531)	51	(1 135)	234	(914)	601
Early redemption fees	—	—	—	—	—	5	—	—
Proceeds from redeemable units issued	1 575	5 180	189	1 060	1 859	5 720	1 739	9 080
Reinvestments of distributions to holders of redeemable units	364	306	95	84	231	176	181	253
Redemption of redeemable units	(5 143)	(6 550)	(1 310)	(1 837)	(3 787)	(5 917)	(8 859)	(5 312)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 204)	(1 064)	(1 026)	(693)	(1 697)	(16)	(6 939)	4 021
Distributions from net income	—	—	—	—	(21)	—	(31)	—
Distributions from net gains	(369)	(311)	(99)	(87)	(210)	(181)	(196)	(282)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(369)	(311)	(99)	(87)	(231)	(181)	(227)	(282)
NET INCREASE (DECREASE) IN NAV	(5 591)	(1 075)	(1 656)	(729)	(3 063)	37	(8 080)	4 340
NAV AT END OF PERIOD	\$ 7 904	\$ 13 495	\$ 2 083	\$ 3 739	\$ 4 680	\$ 7 743	\$ 4 175	\$ 12 255

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 194 521	\$ 156 995	\$ 231 753	\$ 191 654
INCREASE (DECREASE) IN NAV	(34 288)	9 553	(38 886)	10 739
Early redemption fees	—	—	—	5
Proceeds from redeemable units issued	31 227	57 478	36 589	78 518
Reinvestments of distributions to holders of redeemable units	3 923	2 474	4 794	3 293
Redemption of redeemable units	(63 054)	(26 150)	(82 153)	(45 766)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(27 904)	33 802	(40 770)	36 050
Distributions from net income	(2 169)	(1 317)	(2 221)	(1 317)
Distributions from net gains	(6 429)	(4 512)	(7 303)	(5 373)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(8 598)	(5 829)	(9 524)	(6 690)
NET INCREASE (DECREASE) IN NAV	(70 790)	37 526	(89 180)	40 099
NAV AT END OF PERIOD	\$ 123 731	\$ 194 521	\$ 142 573	\$ 231 753

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Industrials	28.8	28.4
Consumer Discretionary	17.9	21.5
Financials	17.2	18.1
Health Care	9.0	7.1
Information Technology	9.0	10.7
Communication Services	5.8	1.4
Materials	5.0	5.0
Energy	3.1	4.2
Utilities	1.6	1.3
Consumer Staples	1.2	0.3
Real Estate	0.4	0.8
Cash/Other	1.0	1.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.9	100.0
Total	99.9	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 2000 Index (CAD)	+ or - 1.1	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	141 097	–	–	141 097
Underlying funds	29	–	–	29
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	141 126	–	–	141 126
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	227 934	–	–	227 934
Underlying funds	1 029	–	–	1 029
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	228 963	–	–	228 963
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
iShares Russell 2000 Fund	–	–	0.4	–

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	636	689
Issued number of units	75	250
Reinvested number of units	23	14
Redeemed number of units	(245)	(317)
Ending number of units	489	636
Advisor Series		
Opening units	176	211
Issued number of units	9	51
Reinvested number of units	6	4
Redeemed number of units	(62)	(90)
Ending number of units	129	176

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	347	350
Issued number of units	87	263
Reinvested number of units	14	8
Redeemed number of units	(173)	(274)
Ending number of units	275	347
Series F		
Opening units	542	356
Issued number of units	78	416
Reinvested number of units	11	11
Redeemed number of units	(389)	(241)
Ending number of units	242	542
Series O		
Opening units	8 545	7 012
Issued number of units	1 408	2 624
Reinvested number of units	229	106
Redeemed number of units	(3 050)	(1 197)
Ending number of units	7 132	8 545

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	165	100	146	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	139	84	89	61

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	21 594	42 889
Fair value of collateral received	22 025	43 746

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	57	100	64	100
RBC IS (paid)	(14)	(25)	(18)	(28)
Tax withheld	(6)	(11)	(4)	(6)
Fund revenue	37	64	42	66



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Fund	3.6	3.2
RBC Global Balanced Fund	0.9	0.7
RBC Total Return Growth Fund	–	–
RBC U.S. Equity Currency Neutral Fund	0.3	0.2
RBC U.S. Equity Fund	11.9	9.0
RBC U.S. Small-Cap Core Equity Class	1.0	0.7
Total	17.7	13.8



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC U.S. SMALL-CAP VALUE EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
46 260	Gray Television Inc.	\$ 745	\$ 931	
6 460	Nexstar Media Group Inc.	700	694	
3 360	Take-Two Interactive Software Inc.	200	472	
		1 645	2 097	3.5
Consumer Discretionary				
15 330	Carriage Services Inc.	451	324	
14 020	Dana Inc.	328	261	
6 900	Dave & Buster's Entertainment Inc.	458	420	
14 820	G-III Apparel Group Ltd.	844	564	
5 240	Grand Canyon Education Inc.	797	688	
24 600	Steven Madden Ltd.	787	1 017	
17 690	Tandy Leather Factory Inc.	182	138	
30 640	Taylor Morrison Home Corp.	698	666	
33 710	Tilly's Inc., Class A	784	500	
4 288	Unifi Inc.	173	134	
7 610	Universal Electronics Inc.	546	263	
43 740	Zagg Inc.	861	584	
		6 909	5 559	9.4
Consumer Staples				
15 540	Fresh Del Monte Produce Inc.	895	600	
12 090	John B. Sanfilippo & Son Inc.	948	919	
		1 843	1 519	2.6
Energy				
64 200	Callon Petroleum Co.	815	568	
20 750	Delek US Holdings Inc.	745	921	
46 340	Magnolia Oil & Gas Corp., Class A	863	708	
47 434	Ring Energy Inc.	718	329	
		3 141	2 526	4.3
Financials				
6 110	American Financial Group Inc.	632	755	
12 500	Amerisafe Inc.	891	967	
17 120	Chemical Financial Corp.	906	856	
8 090	Community Bank System Inc.	448	644	
77 800	Compass Diversified Holdings	1 666	1 322	
23 610	First Busey Corp.	946	791	
18 690	Heritage Financial Corp.	524	758	
5 350	James River Group Holdings Ltd.	272	267	
19 084	LegacyTexas Financial Group Inc.	899	836	
10 880	Mercantile Bank Corp.	339	420	
11 400	Northrim Bancorp Inc.	508	512	
22 917	Pacific Premier Bancorp Inc.	840	798	
4 440	Reinsurance Group of America Inc.	573	850	
27 530	Sterling Bancorp	609	621	
17 850	Synovus Financial Corp.	846	778	
10 470	Texas Capital Bancshares Inc.	770	730	
26 250	United Community Banks Inc.	783	769	
		12 452	12 674	21.5

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
10 360	Emergent Biosolutions Inc.	\$ 701	\$ 838	
14 570	Globus Medical Inc., Class A	546	861	
2 450	Teleflex Inc.	609	864	
3 900	West Pharmaceutical Services Inc.	351	522	
		2 207	3 085	5.2
Industrials				
78 107	ACCO Brands Corp.	950	723	
25 770	BMC Stock Holdings Inc.	716	545	
21 370	Casella Waste Systems Inc., Class A	248	831	
32 720	Columbus McKinnon Corp.	1 061	1 346	
19 861	Ducommun Inc.	743	986	
11 280	EnerSys	995	1 195	
9 450	Ennis Inc.	239	249	
18 020	Kennametal Inc.	906	819	
5 660	Kirby Corp.	540	520	
8 570	Lydall Inc.	395	237	
26 623	Marten Transport Ltd.	495	588	
10 980	Miller (Herman) Inc.	467	453	
35 670	NN Inc.	799	327	
14 722	Patrick Industries Inc.	724	595	
9 040	Spirit Airlines Inc.	548	715	
18 750	The Greenbrier Co. Inc.	935	1 011	
		10 761	11 140	18.9
Information Technology				
33 740	AXT Inc.	294	200	
1 640	Coherent Inc.	206	237	
22 800	Cohu Inc.	652	500	
11 530	Novanta Inc.	213	992	
28 210	PC Connection Inc.	1 007	1 145	
36 347	Sapiens International Corp. N.V.	569	547	
3 010	Synaptics Inc.	264	153	
21 530	Viavi Solutions Inc.	334	295	
11 758	Vishay Precision Group Inc.	317	485	
		3 856	4 554	7.7
Materials				
8 720	Kaiser Aluminum Corp.	1 030	1 064	
12 476	Koppers Holdings Inc.	345	290	
88 250	Omnova Solutions Inc.	899	883	
8 570	Reliance Steel & Aluminum Co.	815	833	
		3 089	3 070	5.2
Real Estate				
31 900	Columbia Property Trust Inc. Real Estate Investment Trust	921	843	
22 011	Community Healthcare Trust Inc. Real Estate Investment Trust	722	866	
14 320	CubeSmart Real Estate Investment Trust	548	561	
57 840	DiamondRock Hospitality Co. Real Estate Investment Trust	825	717	
5 270	EastGroup Properties Inc. Real Estate Investment Trust	535	660	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Real Estate (cont.)				
13 820	National Storage Affiliates Trust Real Estate Investment Trust	\$ 437	\$ 499	
23 030	Physicians Realty Trust Real Estate Investment Trust	544	504	
9 780	STAG Industrial Inc. Real Estate Investment Trust	278	332	
7 220	Terreno Realty Corp. Real Estate Investment Trust	241	347	
39 510	UMH Properties Inc. Real Estate Investment Trust	759	639	
		<u>5 810</u>	<u>5 968</u>	<u>10.1</u>
Utilities				
3 770	NorthWestern Corp.	275	306	
25 120	Portland General Electric Co.	1 352	1 572	
4 240	Southwest Gas Holdings Inc.	441	443	
16 912	Spire Inc.	1 381	1 710	
		<u>3 449</u>	<u>4 031</u>	<u>6.8</u>
TOTAL COMMON EQUITIES		<u>\$ 55 162</u>	<u>56 223</u>	<u>95.2</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>2 854</u>	<u>4.8</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 59 077</u>	<u>100.0</u>	

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 56 223	\$ 71 958
Cash	2 766	993
Subscriptions receivable	32	68
Dividends receivable, interest accrued and other assets	71	139
TOTAL ASSETS	59 092	73 158
LIABILITIES		
Redemptions payable	8	38
Distributions payable	2	–
Accounts payable and accrued expenses	5	7
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	15	45
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 59 077	\$ 73 113
Investments at cost	\$ 55 162	\$ 59 038
NAV		
SERIES A	\$ 1 487	\$ 2 042
ADVISOR SERIES	\$ 18	\$ 171
SERIES D	\$ 547	\$ 1 066
SERIES F	\$ 1 513	\$ 1 679
SERIES O	\$ 55 512	\$ 68 155
NAV PER UNIT		
SERIES A	\$ 10.94	\$ 13.37
ADVISOR SERIES	\$ 10.97	\$ 13.40
SERIES D	\$ 11.14	\$ 13.60
SERIES F	\$ 11.14	\$ 13.61
SERIES O	\$ 11.14	\$ 13.61

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 142	\$ 1 251
Interest for distribution purposes	15	5
Income from investment trusts	114	–
Derivative income	–	22
Net realized gain (loss) on investments	2 812	4 009
Change in unrealized gain (loss) on investments	(11 859)	(1 035)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 776)	4 252
Securities lending revenue		
(see note 7 in the generic notes)	14	13
Net gain (loss) on foreign cash balances	50	(139)
TOTAL OTHER INCOME (LOSS)	64	(126)
TOTAL INCOME (LOSS)	(7 712)	4 126
EXPENSES (see notes – Fund Specific Information)		
Management fees	52	78
Administration fees	18	19
Independent Review Committee costs	2	3
GST/HST	7	9
Transaction costs	63	48
Withholding tax	192	200
TOTAL EXPENSES	334	357
INCREASE (DECREASE) IN NAV	\$ (8 046)	\$ 3 769
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (252)	\$ 56
ADVISOR SERIES	\$ (7)	\$ (8)
SERIES D	\$ (92)	\$ (18)
SERIES F	\$ (242)	\$ 116
SERIES O	\$ (7 453)	\$ 3 623
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.81)	\$ 0.32
ADVISOR SERIES	\$ (1.61)	\$ (0.26)
SERIES D	\$ (1.60)	\$ (0.14)
SERIES F	\$ (2.16)	\$ 0.76
SERIES O	\$ (1.57)	\$ 0.72



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (8 046)	\$ 3 769
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(2 745)	(3 962)
Change in unrealized loss (gain) on investments	11 859	1 035
(Increase) decrease in accrued receivables	68	(13)
Increase (decrease) in accrued payables	(2)	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(21 823)	(25 534)
Proceeds from sale and maturity of investments	28 444	23 147
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7 755	(1 558)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	15 657	24 605
Cash paid on redemption of redeemable units	(21 623)	(25 576)
Distributions paid to holders of redeemable units	(16)	(1)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (5 982)	\$ (972)
Net increase (decrease) in cash for the period	1 773	(2 530)
Cash (bank overdraft), beginning of period	993	3 523
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 766	\$ 993
Interest received (paid)	\$ 15	\$ 5
Dividends received, net of withholding taxes	\$ 1 018	\$ 1 038

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 042	\$ 1 655	\$ 171	\$ 527	\$ 1 066	\$ 3 772	\$ 1 679	\$ 892
INCREASE (DECREASE) IN NAV	(252)	56	(7)	(8)	(92)	(18)	(242)	116
Early redemption fees	—	—	—	—	—	1	—	—
Proceeds from redeemable units issued	502	2 172	1	228	513	2 295	2 143	3 297
Reinvestments of distributions to holders of redeemable units	63	—	1	—	26	2	73	6
Redemption of redeemable units	(805)	(1 841)	(147)	(576)	(939)	(4 984)	(2 060)	(2 625)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(240)	331	(145)	(348)	(400)	(2 686)	156	678
Distributions from net income	—	—	—	—	(4)	(2)	(15)	(7)
Distributions from net gains	(63)	—	(1)	—	(23)	—	(65)	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(63)	—	(1)	—	(27)	(2)	(80)	(7)
NET INCREASE (DECREASE) IN NAV	(555)	387	(153)	(356)	(519)	(2 706)	(166)	787
NAV AT END OF PERIOD	\$ 1 487	\$ 2 042	\$ 18	\$ 171	\$ 547	\$ 1 066	\$ 1 513	\$ 1 679

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 68 155	\$ 63 754	\$ 73 113	\$ 70 600
INCREASE (DECREASE) IN NAV	(7 453)	3 623	(8 046)	3 769
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	14 200	17 411	17 359	25 403
Reinvestments of distributions to holders of redeemable units	3 293	837	3 456	845
Redemption of redeemable units	(19 380)	(16 633)	(23 331)	(26 659)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 887)	1 615	(2 516)	(410)
Distributions from net income	(1 038)	(837)	(1 057)	(846)
Distributions from net gains	(2 265)	—	(2 417)	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 303)	(837)	(3 474)	(846)
NET INCREASE (DECREASE) IN NAV	(12 643)	4 401	(14 036)	2 513
NAV AT END OF PERIOD	\$ 55 512	\$ 68 155	\$ 59 077	\$ 73 113

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	21.5	27.1
Industrials	18.9	19.3
Real Estate	10.1	8.8
Consumer Discretionary	9.4	11.8
Information Technology	7.7	8.4
Utilities	6.8	5.4
Health Care	5.2	4.3
Materials	5.2	6.3
Energy	4.3	5.6
Communication Services	3.5	–
Consumer Staples	2.6	1.4
Cash/Other	4.8	1.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month (December 31, 2017 – 27-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 2000 Value Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	56 223	–	–	56 223
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	56 223	–	–	56 223
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	71 958	–	–	71 958
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	71 958	–	–	71 958
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.10%
Advisor Series	1.75%	0.10%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	106	102
Advisor Series	106	102
Series D	107	102
Series F	108	103
Value of all units	5	6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	153	128
Issued number of units	37	170
Reinvested number of units	6	–
Redeemed number of units	(60)	(145)
Ending number of units	136	153
Advisor Series		
Opening units	13	41
Issued number of units	–	18
Reinvested number of units	–	–
Redeemed number of units	(11)	(46)
Ending number of units	2	13

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	78	288
Issued number of units	38	176
Reinvested number of units	2	–
Redeemed number of units	(69)	(386)
Ending number of units	49	78
Series F		
Opening units	123	68
Issued number of units	159	255
Reinvested number of units	7	–
Redeemed number of units	(153)	(200)
Ending number of units	136	123
Series O		
Opening units	5 009	4 875
Issued number of units	1 081	1 339
Reinvested number of units	299	60
Redeemed number of units	(1 404)	(1 265)
Ending number of units	4 985	5 009

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	63	100	48	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	53	84	23	48

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	12 694	17 811
Fair value of collateral received	12 948	18 168

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	20	100	20	100
RBC IS (paid)	(5)	(25)	(6)	(28)
Tax withheld	(1)	(7)	(1)	(6)
Fund revenue	14	68	13	66



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North LifeTime 2020 Fund	0.1	0.2
Phillips, Hager & North LifeTime 2025 Fund	0.4	0.3
Phillips, Hager & North LifeTime 2030 Fund	0.5	0.5
Phillips, Hager & North LifeTime 2035 Fund	0.8	0.7
Phillips, Hager & North LifeTime 2040 Fund	1.2	1.0
Phillips, Hager & North LifeTime 2045 Fund	2.8	2.3
Phillips, Hager & North LifeTime 2050 Fund	1.4	0.7
Phillips, Hager & North LifeTime 2055 Fund	–	–
RBC Total Return Growth Fund	–	–
Total	7.2	5.7



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC O'SHAUGHNESSY U.S. GROWTH FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
15 196	Gannett Co. Inc.	\$ 231	\$ 177	
19 509	Intelsat S.A.	370	569	
20 589	Marcus Corp.	1 068	1 110	
21 654	QuinStreet Inc.	308	480	
52 748	TechTarget Inc.	1 220	880	
5 274	US Cellular Corp.	397	374	
62 588	Vonage Holdings Corp.	823	746	
14 417	World Wrestling Entertainment Inc., Class A	1 510	1 472	
		5 927	5 808	5.9
Consumer Discretionary				
12 021	Abercrombie & Fitch Co.	415	329	
23 043	American Eagle Outfitters	679	608	
6 871	America's Car-Mart Inc.	579	680	
31 629	BJ's Restaurants Inc.	2 446	2 184	
14 360	Brinker International Inc.	968	862	
28 658	Cato Corp., Class A	984	558	
1 663	Columbia Sportswear Co.	184	191	
941	Cracker Barrel Old Country Store Inc.	216	205	
28 834	CROCS Inc.	511	1 023	
5 739	Deckers Outdoor Corp.	828	1 002	
20 377	Denny's Corp.	420	451	
12 943	El Pollo Loco Holdings Inc.	272	268	
16 280	Etsy Inc.	611	1 058	
1 916	Grand Canyon Education Inc.	267	251	
9 790	Helen Of Troy Ltd.	1 647	1 753	
30 554	K12 Inc.	907	1 034	
3 066	Monro Inc.	301	288	
8 341	Oxford Industries Inc.	850	809	
18 142	Penn National Gaming Inc.	551	466	
5 678	Ruth's Hospitality Group Inc.	159	176	
2 300	Shutterfly Inc.	257	126	
6 360	Standard Motor Products Inc.	452	421	
9 361	Stoneridge Inc.	464	315	
21 600	Tailored Brands Inc.	660	402	
3 287	Texas Roadhouse Inc., Class A	279	268	
2 009	The Children's Place Inc.	355	247	
14 485	Turtle Beach Corp.	554	282	
31 470	Vitamin Shoppe Inc.	550	204	
3 439	Weight Watchers International Inc.	136	181	
5 812	Wingstop Inc.	366	509	
		17 868	17 151	17.3
Consumer Staples				
3 988	Boston Beer Co. Inc., Class A	1 081	1 311	
2 475	Lancaster Colony Corp.	544	598	
5 424	Medifast Inc.	368	925	
5 559	MGP Ingredients Inc.	558	433	
1 835	USANA Health Sciences Inc.	318	295	
3 266	Village Super Market Inc., Class A	132	119	
1 572	WD-40 Co.	353	393	
		3 354	4 074	4.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
10 344	CVR Energy Inc.	\$ 462	\$ 487	
55 809	Evolution Petroleum Corp.	782	520	
31 336	Renewable Energy Group Inc.	951	1 099	
3 733	SEACOR Holdings Inc.	277	188	
39 457	W&T Offshore Inc.	236	222	
		2 708	2 516	2.5
Financials				
2 254	ACNB Corp.	118	121	
14 339	Blucora Inc.	407	521	
13 203	Enterprise Financial Services Corp.	954	678	
4 574	Evercore Inc., Class A	576	447	
4 425	First Financial Bankshares Inc.	342	349	
15 338	FirstCash Inc.	1 672	1 515	
12 049	Hamilton Lane Inc., Class A	681	609	
13 233	Houlihan Lokey Inc., Class A	575	665	
1 719	Kinsale Capital Group Inc.	120	130	
13 343	Macatawa Bank Corp.	219	175	
17 921	National General Holdings Corp.	620	592	
21 575	PennyMac Financial Services Inc., Class A	676	626	
4 393	RLI Corp.	426	414	
5 197	Seacoast Banking Corp. of Florida	228	185	
15 229	The Bank of NT Butterfield & Son Ltd.	940	652	
3 502	Timberland Bancorp Inc.	176	107	
21 079	Universal Insurance Holdings Inc.	1 252	1 091	
5 194	Westamerica Bancorporation	429	395	
		10 411	9 272	9.3
Health Care				
1 674	Amedisys Inc.	265	268	
7 542	AMN Healthcare Services Inc.	567	583	
3 162	Chemed Corp.	846	1 222	
26 579	CONMED Corp.	2 433	2 330	
16 488	Emergent Biosolutions Inc.	998	1 334	
19 390	Enanta Pharmaceuticals Inc.	1 839	1 875	
5 650	Encompass Health Corp.	508	476	
62 885	Endo International Plc.	1 340	627	
12 766	Genomic Health Inc.	1 181	1 123	
22 031	Haemonetics Corporation	2 344	3 009	
43 938	HMS Holdings Corp.	1 753	1 689	
10 811	Horizon Pharma Plc.	302	288	
11 395	Innoviva Inc.	258	271	
6 385	Integer Holdings Corp.	433	665	
8 317	Ligand Pharmaceuticals Inc.	2 034	1 541	
18 715	Luminex Corp.	774	590	
1 770	Magellan Health Inc.	222	137	
8 765	Meridian Bioscience Inc.	213	208	
1 242	Neogen Corp.	143	97	
30 802	NeoGenomics Inc.	614	530	
34 560	NextGen Healthcare Inc.	870	715	
4 963	NuVasive Inc.	400	336	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
6 714	Orthofix Medical Inc.	\$ 400	\$ 481	
2 150	PRA Health Sciences Inc.	208	270	
9 961	Providence Service Corporation	725	816	
7 511	Semler Scientific Inc.	339	353	
12 944	Simulations Plus Inc.	409	352	
4 852	U.S. Physical Therapy Inc.	624	677	
2 084	Utah Medical Products Inc.	317	236	
		23 359	23 099	23.3
Industrials				
2 146	Alamo Group Inc.	277	226	
6 127	Allied Motion Technologies Inc.	373	374	
6 091	ASGN Inc.	441	453	
9 984	Atkore International Group Inc.	363	270	
7 062	Axon Enterprise Inc.	610	422	
8 141	BlueLinx Holdings Inc.	399	274	
12 729	Brady Corp., Class A	702	755	
14 113	Casella Waste Systems Inc., Class A	309	549	
3 189	Cimpress N.V.	629	450	
8 580	Comfort Systems USA Inc.	613	512	
15 428	Continental Building Products Inc.	757	536	
5 715	Curtiss-Wright Corp.	1 002	797	
5 824	DMC Global Inc.	323	279	
2 891	ESCO Technologies Inc.	263	260	
6 743	FTI Consulting Inc.	624	613	
5 445	Generac Holdings Inc.	347	369	
7 583	Gibraltar Industries Inc.	429	368	
7 334	Hillenbrand Inc.	451	380	
5 732	ICF International Inc.	488	507	
6 702	Insteel Industries Inc.	377	222	
11 775	Interface Inc.	373	229	
1 975	Kaman Corp., Class A	167	151	
18 998	Kforce Inc.	896	802	
7 598	Korn/Ferry International	496	410	
2 332	MSA Safety Inc.	325	300	
6 924	National Presto Industries Inc.	1 052	1 105	
10 950	NV5 Global Inc.	1 203	905	
3 922	Omega Flex Inc.	436	290	
4 964	P.A.M. Transportation Services Inc.	233	264	
28 921	PGT Innovations Inc.	828	626	
35 721	Radiant Logistics Inc.	264	207	
1 825	RBC Bearings Inc.	354	327	
12 434	Rush Enterprises Inc., Class A	772	585	
7 126	SPX FLOW Inc.	492	296	
8 076	Systemax Inc.	489	263	
7 075	Tetra Tech Inc.	634	500	
16 362	Universal Truckload Services Inc.	773	404	
13 921	US Ecology Inc.	1 299	1 197	
15 804	USA Truck Inc.	523	323	
7 270	Werner Enterprises Inc.	312	293	
8 117	Willdan Group Inc.	390	388	
		22 088	18 481	18.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
6 173	Agilysys Inc.	\$ 134	\$ 121	
13 283	Appfolio Inc., Class A	781	1 074	
14 690	Aspen Technology Inc.	1 536	1 648	
30 212	Bottomline Technologies Inc.	1 414	1 980	
9 867	Cabot Microelectronics Corp.	842	1 284	
642	CACI International Inc.	154	126	
4 258	Cass Information Systems Inc.	330	308	
29 702	Ciena Corp.	1 206	1 375	
11 134	CTS Corp.	505	394	
17 257	EVERTEC Inc.	549	676	
9 916	Fabrinet	650	695	
4 613	LiveRamp Holdings Inc.	195	243	
3 080	MKS Instruments Inc.	459	272	
16 989	Monotype Imaging Holdings Inc.	530	359	
1 937	Netgear Inc.	160	138	
1 534	NVE Corp.	255	183	
11 127	OneSpan Inc.	286	197	
32 518	Park Electrochemical Corp.	934	802	
31 782	Perficient Inc.	1 074	966	
2 371	Plantronics Inc.	217	107	
21 822	Progress Software Corp.	1 258	1 057	
18 763	QAD Inc., Class A	990	1 007	
1 326	Qualys Inc.	98	135	
901	SPS Commerce Inc.	113	101	
33 148	Unisys Corp.	831	526	
13 885	Vishay Precision Group Inc.	650	573	
		16 151	16 347	16.5
Materials				
3 349	Balchem Corp.	505	358	
24 234	Boise Cascade Co.	1 286	789	
37 999	FutureFuel Corp.	849	823	
58 189	Gold Resource Corp.	528	318	
11 633	Materion Corp.	710	714	
3 459	PolyOne Corp.	185	135	
3 045	Quaker Chemical Corp.	732	738	
34 262	Verso Corp.	818	1 047	
4 729	Warrior Met Coal Inc.	143	156	
		5 756	5 078	5.1
Real Estate				
7 204	Forestar Group Inc.	232	136	
19 076	Marcus & Millichap Inc.	991	894	
8 575	The RMR Group Inc., Class A	593	621	
		1 816	1 651	1.7
TOTAL COMMON EQUITIES		109 438	103 477	104.3
SHORT-TERM INVESTMENTS*		275	274	0.3
TOTAL INVESTMENTS		109 713	103 751	104.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	566	0.6
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(5 202)	(5.2)
TOTAL PORTFOLIO		\$ 109 713	99 115	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(13)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 99 102		100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 847 Sold CAD 1 100 @ 0.7699	07-Jan-2019	\$ 56
Bought USD 757 Sold CAD 1 000 @ 0.7565	07-Jan-2019	33
Bought USD 56 Sold CAD 74 @ 0.7553	07-Jan-2019	2
Bought USD 1 138 Sold CAD 1 500 @ 0.7587	18-Jan-2019	53
Bought USD 100 Sold CAD 132 @ 0.7566	18-Jan-2019	4
Bought USD 126 Sold CAD 166 @ 0.7590	18-Jan-2019	6
Bought USD 54 Sold CAD 72 @ 0.7480	18-Jan-2019	1
Bought USD 1 309 Sold CAD 1 750 @ 0.7478	18-Jan-2019	36
Bought USD 100 Sold CAD 132 @ 0.7541	18-Jan-2019	4
Bought USD 76 Sold CAD 102 @ 0.7456	18-Jan-2019	2
Bought USD 50 Sold CAD 67 @ 0.7458	24-Jan-2019	1
Bought USD 1 196 Sold CAD 1 600 @ 0.7473	30-Jan-2019	31
Bought USD 4 503 Sold CAD 6 040 @ 0.7455	30-Jan-2019	103
Bought USD 1 591 Sold CAD 2 150 @ 0.7398	30-Jan-2019	20
Bought USD 99 Sold CAD 134 @ 0.7387	30-Jan-2019	1
Bought USD 597 Sold CAD 800 @ 0.7464	31-Jan-2019	14
Bought USD 53 Sold CAD 70 @ 0.7541	13-Feb-2019	2
Bought USD 2 214 Sold CAD 3 000 @ 0.7379	13-Feb-2019	19
Bought USD 58 Sold CAD 76 @ 0.7576	21-Feb-2019	3
Bought USD 747 Sold CAD 1 000 @ 0.7468	21-Feb-2019	18
Bought USD 1 194 Sold CAD 1 586 @ 0.7527	27-Feb-2019	42
Bought USD 1 318 Sold CAD 1 750 @ 0.7531	27-Feb-2019	47
Bought USD 673 Sold CAD 900 @ 0.7480	27-Feb-2019	18
Bought USD 964 Sold CAD 1 290 @ 0.7477	07-Mar-2019	23
Bought USD 1 487 Sold CAD 2 000 @ 0.7435	07-Mar-2019	27
		\$ 566

Contracts	Maturity Date	Unrealized Loss
Bought CAD 22 741 Sold USD 17 779 @ 1.2791	07-Jan-2019	\$ (1 528)
Bought CAD 1 233 Sold USD 953 @ 1.2932	18-Jan-2019	(68)
Bought CAD 3 544 Sold USD 2 740 @ 1.2934	18-Jan-2019	(195)
Bought CAD 13 980 Sold USD 10 706 @ 1.3058	24-Jan-2019	(627)
Bought CAD 2 000 Sold USD 1 529 @ 1.3078	24-Jan-2019	(87)
Bought CAD 1 100 Sold USD 807 @ 1.3628	24-Jan-2019	(1)
Bought CAD 7 815 Sold USD 6 040 @ 1.2939	30-Jan-2019	(424)
Bought CAD 500 Sold USD 382 @ 1.3076	31-Jan-2019	(22)
Bought CAD 10 292 Sold USD 7 863 @ 1.3088	13-Feb-2019	(431)
Bought CAD 1 400 Sold USD 1 065 @ 1.3147	21-Feb-2019	(52)
Bought CAD 14 977 Sold USD 11 386 @ 1.3154	27-Feb-2019	(545)
Bought CAD 10 355 Sold USD 7 736 @ 1.3386	07-Mar-2019	(189)
Bought CAD 34 752 Sold USD 26 256 @ 1.3236	13-Mar-2019	(1 033)
		\$ (5 202)
TOTAL FOREIGN EXCHANGE		\$ (4 636)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 103 751	\$ 116 036
Cash	38	5
Subscriptions receivable	30	111
Unrealized gain on foreign exchange contracts	566	1 889
Dividends receivable, interest accrued and other assets	111	38
TOTAL ASSETS	104 496	118 079
LIABILITIES		
Redemptions payable	65	179
Unrealized loss on foreign exchange contracts	5 202	58
Accounts payable and accrued expenses	127	150
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	5 394	387
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 99 102	\$ 117 692
Investments at cost	\$ 109 713	\$ 107 311
NAV		
SERIES A	\$ 81 484	\$ 102 626
SERIES D	\$ 8 396	\$ 8 366
SERIES F	\$ 9 219	\$ 6 699
SERIES O	\$ 3	\$ 1
NAV PER UNIT		
SERIES A	\$ 15.87	\$ 17.09
SERIES D	\$ 16.48	\$ 17.69
SERIES F	\$ 17.77	\$ 19.02
SERIES O	\$ 18.88	\$ 20.02

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 041	\$ 1 167
Interest for distribution purposes	24	13
Derivative income	(3 863)	4 296
Net realized gain (loss) on investments	18 830	18 250
Change in unrealized gain (loss) on investments	(21 154)	(10 256)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(5 122)	13 470
Securities lending revenue (see note 7 in the generic notes)	54	37
Net gain (loss) on foreign cash balances	37	(73)
TOTAL OTHER INCOME (LOSS)	91	(36)
TOTAL INCOME (LOSS)	(5 031)	13 434
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 440	1 443
Administration fees	171	172
Independent Review Committee costs	2	3
GST/HST	166	167
Transaction costs	104	150
Withholding tax	126	162
TOTAL EXPENSES	2 009	2 097
INCREASE (DECREASE) IN NAV	\$ (7 040)	\$ 11 337
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (5 312)	\$ 9 894
SERIES D	\$ (822)	\$ 790
SERIES F	\$ (916)	\$ 653
SERIES O	\$ 10	\$ –
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.96)	\$ 1.51
SERIES D	\$ (1.65)	\$ 1.65
SERIES F	\$ (2.06)	\$ 1.56
SERIES O	\$ 11.16	\$ (0.61)



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (7 040)	\$ 11 337
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(18 719)	(17 941)
Change in unrealized loss (gain) on investments	21 154	10 256
(Increase) decrease in accrued receivables	(73)	38
Increase (decrease) in accrued payables	(23)	(11)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(389 465)	(419 616)
Proceeds from sale and maturity of investments	405 782	437 130
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	11 616	21 193
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	10 160	5 232
Cash paid on redemption of redeemable units	(21 743)	(26 436)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (11 583)	\$ (21 204)
Net increase (decrease) in cash for the period	33	(11)
Cash (bank overdraft), beginning of period	5	16
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 38	\$ 5
Interest received (paid)	\$ 24	\$ 13
Dividends received, net of withholding taxes	\$ 842	\$ 1 043

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 102 626	\$ 112 224	\$ 8 366	\$ 7 768	\$ 6 699	\$ 7 573
INCREASE (DECREASE) IN NAV	(5 312)	9 894	(822)	790	(916)	653
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	4 678	2 980	4 326	2 324	5 328	3 505
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—
Redemption of redeemable units	(20 508)	(22 472)	(3 474)	(2 516)	(1 892)	(5 032)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(15 830)	(19 492)	852	(192)	3 436	(1 527)
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(21 142)	(9 598)	30	598	2 520	(874)
NAV AT END OF PERIOD	\$ 81 484	\$ 102 626	\$ 8 396	\$ 8 366	\$ 9 219	\$ 6 699

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ 5	\$ 117 692	\$ 127 570
INCREASE (DECREASE) IN NAV	10	—	(7 040)	11 337
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	72	27	14 404	8 836
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(80)	(31)	(25 954)	(30 051)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(8)	(4)	(11 550)	(21 215)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	2	(4)	(18 590)	(9 878)
NAV AT END OF PERIOD	\$ 3	\$ 1	\$ 99 102	\$ 117 692

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Health Care	23.3	16.5
Industrials	18.6	18.0
Consumer Discretionary	17.3	15.7
Information Technology	16.5	24.6
Financials	9.3	11.8
Communication Services	5.9	0.7
Materials	5.1	5.6
Consumer Staples	4.1	2.7
Energy	2.5	1.2
Real Estate	1.7	1.1
Cash/Other	(4.3)	2.1
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 2000 Index (hedged to CAD)	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	103 477	–	–	103 477
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	274	–	274
Derivatives – assets	–	566	–	566
Derivatives – liabilities	–	(5 202)	–	(5 202)
Total financial instruments	103 477	(4 362)	–	99 115
% of total portfolio	104.4	(4.4)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	115 180	–	–	115 180
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	856	–	856
Derivatives – assets	–	1 889	–	1 889
Derivatives – liabilities	–	(58)	–	(58)
Total financial instruments	115 180	2 687	–	117 867
% of total portfolio	97.7	2.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.25%	0.15%
Series D	1.00%	0.10%
Series F	0.75%	0.10%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	47	47
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	224 709
Non-capital losses	2 233
Non-capital losses expire in:	
2029	988
2028	1 245

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	6 004	7 226
Issued number of units	247	187
Reinvested number of units	—	—
Redeemed number of units	(1 117)	(1 409)
Ending number of units	5 134	6 004
Series D		
Opening units	473	485
Issued number of units	216	140
Reinvested number of units	—	—
Redeemed number of units	(179)	(152)
Ending number of units	510	473
Series F		
Opening units	352	441
Issued number of units	258	195
Reinvested number of units	—	—
Redeemed number of units	(91)	(284)
Ending number of units	519	352
Series O		
Opening units	—	—
Issued number of units	3	2
Reinvested number of units	—	—
Redeemed number of units	(3)	(2)
Ending number of units	—	—

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	104	100	150	100
Related-party brokerage commissions*	—	—	10	7
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	24 490	37 139
Fair value of collateral received	24 980	37 882

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	84	100	57	100
RBC IS (paid)	(21)	(25)	(15)	(26)
Tax withheld	(9)	(10)	(5)	(8)
Fund revenue	54	65	37	66



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	566	(5 202)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	566	(5 202)
Related amounts not set-off	(536)	536
Collateral (received) pledged	–	–
Net amount	30	(4 666)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1 889	(58)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 889	(58)
Related amounts not set-off	(33)	33
Collateral (received) pledged	–	–
Net amount	1 856	(25)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC O'SHAUGHNESSY U.S. GROWTH FUND II

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
3 109	John Wiley & Sons Inc., Class A	\$ 265	\$ 199	
2 531	Marcus Corp.	139	136	
13 803	TechTarget Inc.	411	229	
6 706	Telephone & Data Systems Inc.	314	298	
1 824	US Cellular Corp.	131	129	
25 947	Vonage Holdings Corp.	396	308	
4 125	World Wrestling Entertainment Inc., Class A	387	420	
		2 043	1 719	5.6
Consumer Discretionary				
1 817	American Eagle Outfitters	62	48	
1 441	America's Car-Mart Inc.	122	143	
8 438	BJ's Restaurants Inc.	668	583	
1 842	Brinker International Inc.	126	111	
1 979	Burlington Stores Inc.	357	439	
6 855	Cato Corp., Class A	225	134	
513	Churchill Downs Inc.	121	171	
7 188	Clarus Corp.	101	99	
731	Columbia Sportswear Co.	82	84	
618	Cracker Barrel Old Country Store Inc.	145	135	
7 057	CROCS Inc.	114	250	
1 881	Deckers Outdoor Corp.	262	329	
4 060	Denny's Corp.	81	90	
2 549	Etsy Inc.	104	166	
3 209	Gap Inc.	137	113	
3 070	Helen Of Troy Ltd.	528	550	
1 280	Hyatt Hotels Corp., Class A	133	118	
8 648	K12 Inc.	268	293	
4 144	Kohl's Corp.	343	375	
1 013	Nathan's Famous Inc.	131	92	
424	Ollie's Bargain Outlet Holdings Inc.	41	39	
1 355	Oxford Industries Inc.	144	131	
4 643	Penn National Gaming Inc.	162	119	
2 460	Pulte Corp.	95	87	
634	Ralph Lauren Corp.	91	90	
1 915	Standard Motor Products Inc.	138	127	
5 780	Tailored Brands Inc.	238	108	
737	Texas Roadhouse Inc., Class A	61	60	
634	Vail Resorts Inc.	237	182	
1 029	Weight Watchers International Inc.	133	54	
181	Winmark Corp.	37	39	
		5 487	5 359	17.5
Consumer Staples				
1 021	Boston Beer Co. Inc., Class A	338	336	
3 907	Darling Ingredients Inc.	109	103	
440	Herbalife Nutrition Ltd.	34	35	
1 006	Lancaster Colony Corp.	223	243	
890	Medifast Inc.	71	152	
		775	869	2.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
809	Arch Coal Inc., Class A	\$ 97	\$ 92	
1 881	Continental Resources Inc.	140	103	
3 794	CVR Energy Inc.	170	179	
4 166	Evolution Petroleum Corp.	65	39	
2 101	Helmerich & Payne	182	138	
2 069	HollyFrontier Corp.	119	144	
3 156	Renewable Energy Group Inc.	110	111	
		883	806	2.6
Financials				
2 642	Artisan Partners Asset Management Inc., Class A	127	80	
4 072	Blucora Inc.	117	148	
462	Commerce Bancshares Inc.	37	36	
1 171	Evercore Inc., Class A	120	114	
4 464	Federated Investors Inc.	196	162	
1 105	First Financial Bankshares Inc.	91	87	
3 243	FirstCash Inc.	318	320	
816	Hanover Insurance Group Inc.	123	130	
7 140	Houlihan Lokey Inc., Class A	427	359	
1 985	Kemper Corp.	158	180	
2 470	Macatawa Bank Corp.	41	32	
1 542	Morningstar Inc.	252	231	
1 869	PennyMac Financial Services Inc., Class A	58	54	
609	Reinsurance Group of America Inc.	120	117	
2 681	SEI Investments Co.	253	169	
546	SVB Financial Group	222	142	
1 390	The Bank of NT Butterfield & Son Ltd.	88	59	
5 382	Universal Insurance Holdings Inc.	327	279	
993	Zions Bancorporation	71	55	
		3 146	2 754	9.0
Health Care				
956	Amedisys Inc.	147	153	
1 061	AMN Healthcare Services Inc.	78	82	
2 007	Bio-Techne Corp.	484	397	
1 349	Chemed Corp.	360	521	
8 498	CONMED Corp.	800	745	
2 438	Enanta Pharmaceuticals Inc.	218	236	
2 176	Encompass Health Corp.	204	183	
13 234	Endo International Plc.	253	132	
1 809	Genomic Health Inc.	152	159	
7 488	Haemonetics Corporation	736	1 023	
14 305	HMS Holdings Corp.	613	550	
4 241	Horizon Pharma Plc.	122	113	
5 475	Innoviva Inc.	131	130	
287	Inogen Inc.	44	49	
419	Integer Holdings Corp.	39	44	
2 847	Ligand Pharmaceuticals Inc.	774	527	
6 525	Luminex Corp.	253	206	
567	Medpace Holdings Inc.	42	41	
9 208	Meridian Bioscience Inc.	232	218	
335	National HealthCare Corp.	36	36	
4 660	NextGen Healthcare Inc.	135	96	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
1 530	Premier Inc.	\$ 92	\$ 78	
2 472	Providence Service Corporation	170	203	
986	STERIS Plc.	108	144	
1 522	Veeva Systems Inc.	196	186	
735	WellCare Health Plans Inc.	260	237	
		<u>6 679</u>	<u>6 489</u>	<u>21.1</u>
Industrials				
3 792	Allied Motion Technologies Inc.	237	232	
2 016	Allison Transmission Holdings Inc.	128	121	
530	Armstrong World Industries Inc.	49	42	
3 764	ASGN Inc.	336	280	
1 580	Axon Enterprise Inc.	139	94	
2 714	BlueLinx Holdings Inc.	145	91	
2 223	Brady Corp., Class A	122	132	
3 660	Casella Waste Systems Inc., Class A	114	142	
6 089	CBIZ Inc.	177	164	
5 033	Comfort Systems USA Inc.	369	300	
1 693	Continental Building Products Inc.	85	59	
2 036	Copart Inc.	149	133	
912	Curtiss-Wright Corp.	154	127	
3 050	Donaldson Co. Inc.	219	181	
392	ESCO Technologies Inc.	35	35	
1 936	Fluor Corp.	145	85	
996	FTI Consulting Inc.	94	91	
1 329	Graco Inc.	65	76	
13 397	Great Lakes Dredge & Dock Company	129	121	
1 718	HEICO Corp.	111	182	
1 225	Hillenbrand Inc.	83	63	
1 044	IDEX Corp.	187	180	
6 514	Interface Inc.	206	127	
1 147	Jacobs Engineering Group Inc.	98	92	
4 137	Kforce Inc.	184	175	
2 396	National Presto Industries Inc.	396	382	
945	Old Dominion Freight Line Inc.	155	159	
12 382	PGT Innovations Inc.	311	268	
835	Robert Half International Inc.	69	65	
2 938	Rollins Inc.	149	145	
602	Spirit Aerosystems Holdings Inc., Class A	58	59	
2 537	Tetra Tech Inc.	225	179	
2 250	TriNet Group Inc.	98	129	
590	XPO Logistics Inc.	77	46	
		<u>5 298</u>	<u>4 757</u>	<u>15.5</u>
Information Technology				
166	Ansys Inc.	27	32	
6 202	Appfolio Inc., Class A	531	501	
2 909	Aspen Technology Inc.	319	326	
2 058	Bottomline Technologies Inc.	181	135	
4 798	Broadridge Financial Solutions Inc.	646	631	
1 005	Cabot Microelectronics Corp.	96	131	
935	CACI International Inc.	223	184	
5 877	Ciena Corp.	258	272	
1 268	Envestnet Inc.	94	85	
10 001	EVERTEC Inc.	329	392	
2 004	Fabrinet	133	140	
4 985	Flir Systems Inc.	380	296	
4 491	Fortinet Inc.	429	432	

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology (cont.)				
1 060	GoDaddy Inc.	\$ 113	\$ 95	
1 970	Jack Henry & Associates Inc.	268	340	
2 332	Keysight Technologies Inc.	186	198	
2 216	LiveRamp Holdings Inc.	121	117	
7 783	Marvell Technology Group Ltd.	218	172	
2 222	Mellanox Technologies Ltd.	243	280	
1 051	Netgear Inc.	83	75	
14 386	ON Semiconductor Corporation	438	324	
2 983	Park Electrochemical Corp.	84	74	
5 066	Perficient Inc.	181	154	
7 125	Progress Software Corp.	384	345	
5 813	PTC Inc.	729	658	
2 406	SS&C Technologies Holdings Inc.	155	148	
4 123	Unisys Corp.	104	65	
3 445	Vishay Precision Group Inc.	127	142	
746	VMware Inc.	109	140	
336	Zebra Technologies Corp.	60	73	
		<u>7 249</u>	<u>6 957</u>	<u>22.7</u>
Materials				
3 850	Balchem Corp.	505	412	
4 928	Boise Cascade Co.	254	160	
1 257	Domtar Corp.	80	60	
9 569	FutureFuel Corp.	213	207	
579	Quaker Chemical Corp.	151	140	
2 217	Sonoco Products Company	164	161	
1 856	Steel Dynamics Inc.	114	76	
4 399	Verso Corp.	177	134	
1 327	Warrior Met Coal Inc.	44	44	
4 182	Westlake Chemical Corporation	574	378	
		<u>2 276</u>	<u>1 772</u>	<u>5.8</u>
Real Estate				
909	Jones Lang LaSalle Incorporated	184	157	
3 943	Marcus & Millichap Inc.	210	185	
2 427	The RMR Group Inc., Class A	171	176	
		<u>565</u>	<u>518</u>	<u>1.7</u>
TOTAL COMMON EQUITIES				104.3
SHORT-TERM INVESTMENTS*				0.7
TOTAL INVESTMENTS				105.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				0.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				(5.3)
TOTAL PORTFOLIO		\$ 34 603	30 748	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
				(69)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				\$ 30 679
				100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 246 Sold CAD 320 @ 0.7699	07-Jan-2019	\$ 16
Bought USD 227 Sold CAD 300 @ 0.7565	07-Jan-2019	10
Bought USD 7 Sold CAD 9 @ 0.7553	07-Jan-2019	–
Bought USD 455 Sold CAD 600 @ 0.7587	18-Jan-2019	21
Bought USD 337 Sold CAD 450 @ 0.7478	18-Jan-2019	9
Bought USD 125 Sold CAD 166 @ 0.7541	18-Jan-2019	5
Bought USD 419 Sold CAD 560 @ 0.7473	30-Jan-2019	11
Bought USD 1 226 Sold CAD 1 645 @ 0.7455	30-Jan-2019	28
Bought USD 496 Sold CAD 670 @ 0.7398	30-Jan-2019	6
Bought USD 10 Sold CAD 13 @ 0.7387	30-Jan-2019	–
Bought USD 224 Sold CAD 300 @ 0.7464	31-Jan-2019	5
Bought USD 114 Sold CAD 154 @ 0.7409	13-Feb-2019	2
Bought USD 638 Sold CAD 865 @ 0.7379	13-Feb-2019	5
Bought USD 261 Sold CAD 350 @ 0.7468	21-Feb-2019	6
Bought USD 379 Sold CAD 503 @ 0.7527	27-Feb-2019	13
Bought USD 339 Sold CAD 450 @ 0.7531	27-Feb-2019	12
Bought USD 370 Sold CAD 495 @ 0.7477	07-Mar-2019	9
Bought USD 372 Sold CAD 500 @ 0.7435	07-Mar-2019	9
		\$ 167

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 452 Sold USD 1 135 @ 1.2791	07-Jan-2019	\$ (98)
Bought CAD 255 Sold USD 197 @ 1.2932	18-Jan-2019	(14)
Bought CAD 5 561 Sold USD 4 300 @ 1.2934	18-Jan-2019	(306)
Bought CAD 5 814 Sold USD 4 452 @ 1.3058	24-Jan-2019	(261)
Bought CAD 630 Sold USD 482 @ 1.3078	24-Jan-2019	(27)
Bought CAD 6 250 Sold USD 4 830 @ 1.2939	30-Jan-2019	(339)
Bought CAD 5 221 Sold USD 3 993 @ 1.3076	31-Jan-2019	(225)
Bought CAD 470 Sold USD 357 @ 1.3147	21-Feb-2019	(17)
Bought CAD 3 329 Sold USD 2 531 @ 1.3154	27-Feb-2019	(121)
Bought CAD 4 457 Sold USD 3 330 @ 1.3386	07-Mar-2019	(81)
Bought CAD 4 419 Sold USD 3 339 @ 1.3236	13-Mar-2019	(132)
		\$ (1 621)
TOTAL FOREIGN EXCHANGE		\$ (1 454)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 32 202	\$ 37 196
Cash	17	108
Subscriptions receivable	15	6
Unrealized gain on foreign exchange contracts	167	554
Dividends receivable, interest accrued and other assets	20	15
TOTAL ASSETS	32 421	37 879
LIABILITIES		
Redemptions payable	67	138
Unrealized loss on foreign exchange contracts	1 621	12
Accounts payable and accrued expenses	54	66
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 742	216
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 30 679	\$ 37 663
Investments at cost	\$ 34 603	\$ 33 883
NAV		
SERIES A	\$ 23 200	\$ 30 425
ADVISOR SERIES	\$ 743	\$ 942
SERIES D	\$ 2 976	\$ 3 631
SERIES F	\$ 3 760	\$ 2 665
NAV PER UNIT		
SERIES A	\$ 7.85	\$ 9.96
ADVISOR SERIES	\$ 7.91	\$ 10.04
SERIES D	\$ 8.64	\$ 10.87
SERIES F	\$ 8.90	\$ 11.17

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 353	\$ 379
Interest for distribution purposes	6	4
Derivative income	(1 230)	1 416
Net realized gain (loss) on investments	6 171	4 346
Change in unrealized gain (loss) on investments	(7 710)	(1 045)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(2 410)	5 100
Securities lending revenue (see note 7 in the generic notes)	10	12
Net gain (loss) on foreign cash balances	25	—
TOTAL OTHER INCOME (LOSS)	35	12
TOTAL INCOME (LOSS)	(2 375)	5 112
EXPENSES (see notes – Fund Specific Information)		
Management fees	629	649
Administration fees	55	56
Independent Review Committee costs	2	3
GST/HST	70	72
Transaction costs	27	35
Withholding tax	48	48
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	830	860
INCREASE (DECREASE) IN NAV	\$ (3 205)	\$ 4 252
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 376)	\$ 3 416
ADVISOR SERIES	\$ (87)	\$ 105
SERIES D	\$ (299)	\$ 385
SERIES F	\$ (443)	\$ 346
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.85)	\$ 1.18
ADVISOR SERIES	\$ (1.03)	\$ 1.20
SERIES D	\$ (0.95)	\$ 1.40
SERIES F	\$ (1.33)	\$ 1.33



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 205)	\$ 4 252
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(6 138)	(4 287)
Change in unrealized loss (gain) on investments	7 710	1 045
(Increase) decrease in accrued receivables	(5)	20
Increase (decrease) in accrued payables	(12)	(1)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(103 357)	(120 513)
Proceeds from sale and maturity of investments	108 775	124 942
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3 768	5 458
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	3 023	3 135
Cash paid on redemption of redeemable units	(6 761)	(8 341)
Distributions paid to holders of redeemable units	(121)	(146)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (3 859)	\$ (5 352)
Net increase (decrease) in cash for the period	(91)	106
Cash (bank overdraft), beginning of period	108	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 17	\$ 108
Interest received (paid)	\$ 6	\$ 4
Dividends received, net of withholding taxes	\$ 300	\$ 351

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 30 425	\$ 32 273	\$ 942	\$ 876	\$ 3 631	\$ 2 869
INCREASE (DECREASE) IN NAV	(2 376)	3 416	(87)	105	(299)	385
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	1 390	1 698	214	97	1 328	1 378
Reinvestments of distributions to holders of redeemable units	2 864	3 616	87	109	366	444
Redemption of redeemable units	(6 215)	(6 925)	(320)	(131)	(1 675)	(995)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(1 961)	(1 611)	(19)	75	19	827
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	(2 888)	(3 653)	(93)	(114)	(375)	(450)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 888)	(3 653)	(93)	(114)	(375)	(450)
NET INCREASE (DECREASE) IN NAV	(7 225)	(1 848)	(199)	66	(655)	762
NAV AT END OF PERIOD	\$ 23 200	\$ 30 425	\$ 743	\$ 942	\$ 2 976	\$ 3 631

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 665	\$ 2 873	\$ 37 663	\$ 38 891
INCREASE (DECREASE) IN NAV	(443)	346	(3 205)	4 252
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	1 965	1 502	4 897	4 675
Reinvestments of distributions to holders of redeemable units	378	232	3 695	4 401
Redemption of redeemable units	(345)	(1 958)	(8 555)	(10 009)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 998	(224)	37	(933)
Distributions from net income	—	—	—	—
Distributions from net gains	(460)	(330)	(3 816)	(4 547)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(460)	(330)	(3 816)	(4 547)
NET INCREASE (DECREASE) IN NAV	1 095	(208)	(6 984)	(1 228)
NAV AT END OF PERIOD	\$ 3 760	\$ 2 665	\$ 30 679	\$ 37 663

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of U.S. companies.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	22.7	26.5
Health Care	21.1	13.8
Consumer Discretionary	17.5	17.3
Industrials	15.5	19.0
Financials	9.0	10.2
Materials	5.8	5.4
Communication Services	5.6	0.3
Consumer Staples	2.8	2.7
Energy	2.6	2.1
Real Estate	1.7	0.9
Cash/Other	(4.3)	1.8
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 2500 Index (hedged to CAD)	+ or - 0.9	+ or - 0.7

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	32 000	–	–	32 000
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	202	–	202
Derivatives – assets	–	167	–	167
Derivatives – liabilities	–	(1 621)	–	(1 621)
Total financial instruments	32 000	(1 252)	–	30 748
% of total portfolio	104.1	(4.1)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	36 988	–	–	36 988
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	208	–	208
Derivatives – assets	–	554	–	554
Derivatives – liabilities	–	(12)	–	(12)
Total financial instruments	36 988	750	–	37 738
% of total portfolio	98.0	2.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.15%
Advisor Series	1.85%	0.10%
Series D	1.10%	0.10%
Series F	0.85%	0.10%



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	3 055	3 192
Issued number of units	135	158
Reinvested number of units	367	359
Redeemed number of units	(600)	(654)
Ending number of units	2 957	3 055
Advisor Series		
Opening units	94	86
Issued number of units	20	9
Reinvested number of units	11	11
Redeemed number of units	(31)	(12)
Ending number of units	94	94
Series D		
Opening units	334	262
Issued number of units	114	119
Reinvested number of units	43	40
Redeemed number of units	(147)	(87)
Ending number of units	344	334
Series F		
Opening units	239	256
Issued number of units	170	126
Reinvested number of units	43	21
Redeemed number of units	(30)	(164)
Ending number of units	422	239

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	27	100	35	100
Related-party brokerage commissions*	—	—	2	6
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	5 039	10 361
Fair value of collateral received	5 139	10 568

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	15	100	17	100
RBC IS (paid)	(4)	(25)	(4)	(26)
Tax withheld	(1)	(8)	(1)	(3)
Fund revenue	10	67	12	71

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	167	(1 621)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	167	(1 621)
Related amounts not set-off	(151)	151
Collateral (received) pledged	—	—
Net amount	16	(1 470)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	554	(12)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	554	(12)
Related amounts not set-off	(12)	12
Collateral (received) pledged	—	—
Net amount	542	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC LIFE SCIENCE AND TECHNOLOGY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Biotechnology				
35 370	AbbVie Inc.	\$ 3 320	\$ 4 452	
11 307	Alexion Pharmaceuticals Inc.	1 846	1 504	
15 249	Amgen Inc.	2 994	4 055	
7 577	Biogen Inc.	2 942	3 113	
23 948	Celgene Corp.	3 283	2 097	
35 342	Gilead Sciences Inc.	3 534	3 019	
20 606	Moderna Inc.	630	430	
12 072	Vertex Pharmaceuticals Inc.	2 269	2 731	
		20 818	21 401	6.3
Communications Equipment				
4 000	Arista Networks Inc.	1 307	1 151	
137 895	Cisco Systems Inc.	5 851	8 171	
9 018	Motorola Solutions Inc.	1 251	1 416	
		8 409	10 738	3.2
Electronic Equipment, Instruments and Components				
15 746	Amphenol Corp., Class A	1 465	1 741	
41 280	Corning Inc.	1 460	1 702	
14 200	Flir Systems Inc.	923	844	
9 580	TE Connectivity Ltd.	961	990	
		4 809	5 277	1.6
Entertainment				
10 360	Activision Blizzard Inc.	597	659	
15 960	Electronic Arts Inc.	1 855	1 719	
12 000	Netflix Inc.	5 842	4 385	
		8 294	6 763	2.0
Equity Real Estate Investment Trusts				
1 100	Equinix Inc. Real Estate Investment Trust	597	530	
		597	530	0.2
Health Care Equipment and Supplies				
62 136	Abbott Laboratories	3 991	6 136	
1 270	Abiomed Inc.	649	564	
4 215	Align Technology Inc.	1 513	1 206	
22 220	Baxter International Inc.	1 643	1 997	
3 144	Becton Dickinson & Co.	694	967	
68 318	Boston Scientific Corp.	2 162	3 296	
3 500	Cooper Co. Inc.	1 199	1 216	
6 219	Danaher Corp.	643	876	
8 624	Edwards Lifesciences Corp.	1 293	1 804	
4 347	Intuitive Surgical Inc.	1 778	2 843	
42 559	Medtronic Plc.	4 542	5 286	
8 665	Stryker Corp.	1 555	1 854	
		21 662	28 045	8.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care Providers and Services				
8 749	Anthem Inc.	\$ 1 826	\$ 3 137	
5 600	Centene Corp.	971	882	
3 200	Cigna Corp.	835	830	
30 700	CVS Health Corp.	2 883	2 746	
9 000	Guardant Health Inc.	220	462	
10 029	HCA Healthcare Inc.	1 241	1 704	
3 588	Humana Inc.	1 084	1 404	
4 891	Laboratory Corp. of America Holdings	1 033	844	
30 653	UnitedHealth Group Incorporated	6 453	10 427	
		16 546	22 436	6.6
Interactive Media and Services				
17 440	Alphabet Inc., Class A	18 944	24 901	
65 778	Facebook Inc., Class A	11 058	11 792	
17 600	Match Group Inc.	843	1 028	
6 200	Tencent Holdings Ltd. ADR	422	334	
		31 267	38 055	11.2
Internet and Catalogue Retail				
420	Amazon.com, Inc.	1 023	861	
		1 023	861	0.3
IT Services				
20 639	Accenture Plc., Class A	3 466	3 973	
5 128	Automatic Data Processing Inc.	668	918	
9 623	Cognizant Technology Solutions Corp., Class A	846	834	
12 425	DXC Technology Co.	1 256	902	
3 950	Fidelity National Information Services Inc.	381	553	
15 868	Fiserv Inc.	1 107	1 593	
4 000	Gartner Inc.	764	698	
7 000	Global Payments Inc.	770	986	
16 771	International Business Machines	3 467	2 601	
29 855	Mastercard Inc.	4 604	7 689	
6 979	Paychex Inc.	558	621	
41 842	PayPal Holdings Inc.	2 895	4 807	
5 416	Shopify Inc., Class A	682	1 024	
54 811	Visa Inc., Class A	6 279	9 876	
		27 743	37 075	10.9
Life Sciences Tools and Services				
3 145	Illumina Inc.	752	1 289	
4 089	IQVIA Holdings Inc.	637	649	
15 910	Thermo Fisher Scientific Inc.	3 456	4 860	
		4 845	6 798	2.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Pharmaceuticals				
8 639	Allergan plc	\$ 2 191	\$ 1 576	
58 227	Bristol-Myers Squibb Co.	4 240	4 131	
15 682	Elanco Animal Health Inc.	486	674	
25 627	Eli Lilly & Co.	2 672	4 049	
2 196	Jazz Pharmaceuticals Plc.	448	372	
73 562	Johnson & Johnson	11 627	12 962	
64 956	Merck & Co. Inc.	4 900	6 781	
29 046	Mylan N.V.	1 483	1 087	
164 979	Pfizer Inc.	7 385	9 831	
		<u>35 432</u>	<u>41 463</u>	12.2
Semiconductors and Semiconductor Equipment				
22 900	Advanced Micro Devices Inc.	632	577	
33 135	Applied Materials Inc.	1 269	1 482	
14 290	Broadcom Inc.	3 019	4 961	
131 952	Intel Corp.	6 783	8 460	
4 308	Lam Research Corp.	733	801	
31 501	Micron Technology Inc.	1 307	1 365	
20 076	Nvidia Corp.	3 041	3 659	
35 899	QUALCOMM Inc.	2 966	2 789	
29 840	Texas Instruments Inc.	2 494	3 850	
10 400	Xilinx Inc.	1 175	1 210	
		<u>23 419</u>	<u>29 154</u>	8.6
Software				
15 446	Adobe Inc.	2 247	4 774	
12 974	Autodesk Inc.	1 647	2 280	
5 742	Ceridian HCM Holding Inc.	163	270	
10 500	Globant S.A.	698	807	
9 093	Intuit Inc.	1 580	2 444	
219 945	Microsoft Corp.	17 346	30 527	
56 611	Oracle Corporation	3 218	3 489	
4 857	Red Hat Inc.	807	1 164	
23 797	Salesforce.com Inc.	2 484	4 450	
3 700	ServiceNow Inc.	689	899	
16 600	Talend S.A. ADR	897	840	
		<u>31 776</u>	<u>51 944</u>	15.3
Technology Hardware, Storage and Peripherals				
122 638	Apple Inc.	18 923	26 442	
44 916	HP Inc.	1 005	1 255	
12 410	Western Digital Corp.	978	627	
		<u>20 906</u>	<u>28 324</u>	8.4
TOTAL COMMON EQUITIES		<u>257 546</u>	<u>328 864</u>	97.1

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
7 800	Technology Select Sector SPDR Fund	\$ 701	\$ 660	
TOTAL UNDERLYING FUNDS		<u>701</u>	<u>660</u>	0.2
SHORT-TERM INVESTMENTS*		<u>8 748</u>	<u>8 963</u>	2.6
TOTAL INVESTMENTS		<u>\$ 266 995</u>	<u>338 487</u>	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>214</u>	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 338 701</u>	100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.90% and mature between January 3, 2019 and January 17, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 338 487	\$ 253 144
Cash	66	60
Subscriptions receivable	704	422
Dividends receivable, interest accrued and other assets	140	86
TOTAL ASSETS	339 397	253 712
LIABILITIES		
Redemptions payable	208	319
Accounts payable and accrued expenses	488	386
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	696	705
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 338 701	\$ 253 007
Investments at cost	\$ 266 995	\$ 197 408
NAV		
SERIES A	\$ 197 049	\$ 165 785
SERIES D	\$ 104 110	\$ 70 557
SERIES F	\$ 37 542	\$ 16 665
NAV PER UNIT		
SERIES A	\$ 18.56	\$ 17.06
SERIES D	\$ 20.70	\$ 18.87
SERIES F	\$ 23.49	\$ 21.35

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 4 216	\$ 3 726
Interest for distribution purposes	190	35
Income from investment trusts	50	—
Derivative income	(11)	3
Net realized gain (loss) on investments	7 139	1 584
Change in unrealized gain (loss) on investments	15 756	41 669
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	27 340	47 017
Other income (loss)	1	—
Securities lending revenue (see note 7 in the generic notes)	19	17
Net gain (loss) on foreign cash balances	(48)	9
TOTAL OTHER INCOME (LOSS)	(28)	26
TOTAL INCOME (LOSS)	27 312	47 043
EXPENSES (see notes – Fund Specific Information)		
Management fees	4 589	3 350
Administration fees	416	301
Independent Review Committee costs	2	3
GST/HST	502	366
Transaction costs	18	13
Withholding tax	585	439
TOTAL EXPENSES	6 112	4 472
INCREASE (DECREASE) IN NAV	\$ 21 200	\$ 42 571
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 13 917	\$ 29 974
SERIES D	\$ 6 137	\$ 10 725
SERIES F	\$ 1 146	\$ 1 872
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 1.36	\$ 3.08
SERIES D	\$ 1.32	\$ 3.31
SERIES F	\$ 0.97	\$ 3.58



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 21 200	\$ 42 571
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(7 119)	(1 510)
Change in unrealized loss (gain) on investments	(15 756)	(41 669)
(Increase) decrease in accrued receivables	(54)	6
Increase (decrease) in accrued payables	102	88
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(277 369)	(106 022)
Proceeds from sale and maturity of investments	214 901	85 536
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(64 095)	(21 000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	148 075	66 112
Cash paid on redemption of redeemable units	(83 974)	(45 160)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 64 101	\$ 20 952
Net increase (decrease) in cash for the period	6	(48)
Cash (bank overdraft), beginning of period	60	108
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 66	\$ 60
Interest received (paid)	\$ 176	\$ 30
Dividends received, net of withholding taxes	\$ 3 614	\$ 3 299

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series D		Series F		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 165 785	\$ 139 183	\$ 70 557	\$ 44 536	\$ 16 665	\$ 5 333	\$ 253 007	\$ 189 052
INCREASE (DECREASE) IN NAV	13 917	29 974	6 137	10 725	1 146	1 872	21 200	42 571
Early redemption fees	—	—	8	4	—	—	8	4
Proceeds from redeemable units issued	56 767	26 741	75 274	34 408	27 020	12 123	159 061	73 272
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(39 420)	(30 113)	(47 866)	(19 116)	(7 289)	(2 663)	(94 575)	(51 892)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	17 347	(3 372)	27 416	15 296	19 731	9 460	64 494	21 384
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	31 264	26 602	33 553	26 021	20 877	11 332	85 694	63 955
NAV AT END OF PERIOD	\$ 197 049	\$ 165 785	\$ 104 110	\$ 70 557	\$ 37 542	\$ 16 665	\$ 338 701	\$ 253 007

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Software	15.3	15.0
Pharmaceuticals	12.2	11.2
Interactive Media and Services	11.2	—
IT Services	10.9	11.0
Semiconductors and Semiconductor Equipment	8.6	10.1
Technology Hardware, Storage and Peripherals	8.4	10.8
Health Care Equipment and Supplies	8.3	5.8
Health Care Providers and Services	6.6	6.5
Biotechnology	6.3	6.7
Communications Equipment	3.2	2.9
Entertainment	2.0	—
Life Sciences Tools and Services	2.0	1.5
Electronic Equipment, Instruments and Components	1.6	1.5
Internet and Catalogue Retail	0.3	—
Equity Real Estate Investment Trusts	0.2	—
Internet Software and Services	—	13.5
Cash/Other	2.9	3.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.8	100.0
Total	99.8	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.2	+ or - 1.3

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	328 864	—	—	328 864
Underlying funds	660	—	—	660
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	8 963	—	8 963
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	329 524	8 963	—	338 487
% of total portfolio	97.4	2.6	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	244 086	—	—	244 086
Underlying funds	1 123	—	—	1 123
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	7 935	—	7 935
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	245 209	7 935	—	253 144
% of total portfolio	96.9	3.1	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Series D	1.00%	0.10%
Series F	0.75%	0.10%

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the unsponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the unsponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Technology Select Sector SPDR Fund	0.2	—	0.4	—

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	617 230
Non-capital losses	9 479
Non-capital losses expire in:	
2036	1 801
2028	1 205
2027	2 297
2026	4 176

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	9 716	9 958
Issued number of units	2 995	1 668
Reinvested number of units	—	—
Redeemed number of units	(2 094)	(1 910)
Ending number of units	10 617	9 716

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	3 740	2 907
Issued number of units	3 566	1 936
Reinvested number of units	—	—
Redeemed number of units	(2 278)	(1 103)
Ending number of units	5 028	3 740
Series F		
Opening units	781	309
Issued number of units	1 126	603
Reinvested number of units	—	—
Redeemed number of units	(309)	(131)
Ending number of units	1 598	781

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	18	100	13	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	3	17	8	62

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Fair value of securities loaned	32 439		15 404	
Fair value of collateral received	33 088		15 712	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	28	100	26	100
RBC IS (paid)	(8)	(25)	(8)	(31)
Tax withheld	(1)	(5)	(1)	(4)
Fund revenue	19	70	17	65



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC INTERNATIONAL DIVIDEND GROWTH FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Australia				
23 600	Aristocrat Leisure Ltd.	\$ 530	\$ 496	
75 700	Challenger Ltd.	884	691	
5 300	Cochlear Limited	690	887	
15 360	CSL Ltd.	1 824	2 738	
		3 928	4 812	7.3
China				
42 519	China Literature Ltd.	410	269	
38 900	Tencent Holdings Ltd.	1 630	2 129	
		2 040	2 398	3.6
Denmark				
22 044	ISS A/S	1 009	841	
31 232	Novo Nordisk A/S	1 868	1 955	
5 667	Novozymes A/S	381	345	
319	Pandora A/S	44	18	
		3 302	3 159	4.8
Finland				
11 242	Sampo OYJ	696	678	
		696	678	1.0
France				
5 138	EssilorLuxottica	892	889	
5 370	Groupe Danone	520	517	
2 535	LVMH Louis Vuitton Moët-Hennessy	930	1 013	
		2 342	2 419	3.6
Germany				
7 875	Bayer AG	1 166	749	
2 619	Continental AG	724	496	
7 045	Fresenius Medical Care AG & Co. KGaA	909	622	
2 313	KION Group AG	276	160	
7 000	SAP SE	985	952	
3 639	Scout24 AG	208	227	
2 204	Symrise AG	185	223	
		4 453	3 429	5.2
Hong Kong				
174 500	AIA Group Ltd.	1 480	1 979	
		1 480	1 979	3.0
Indonesia				
1 383 700	PT Hanjaya Mandala Sampoerna Tbk	522	489	
		522	489	0.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Ireland				
7 144	CRH Plc.	\$ 337	\$ 258	
6 269	Paddy Power Betfair Plc.	895	699	
6 572	Ryanair Holdings Plc. ADR	848	640	
		2 080	1 597	2.4
Japan				
36 500	Asahi Group Holdings Ltd.	2 249	1 931	
47 100	Bridgestone Corp.	2 386	2 467	
263 800	Mitsubishi UFJ Financial Group Inc.	1 979	1 767	
13 600	Nitori Co. Ltd.	2 372	2 325	
3 400	SMC Corp.	1 565	1 397	
28 300	SoftBank Group Corp.	2 636	2 531	
16 900	Sysmex Corp.	1 391	1 096	
		14 578	13 514	20.4
Netherlands				
15 014	Heineken N.V.	1 881	1 812	
46 424	ING Groep N.V.	989	682	
21 129	Intertrust N.V.	545	484	
11 459	NN Group N.V.	609	622	
		4 024	3 600	5.4
Sweden				
24 775	Assa Abloy AB	691	604	
13 064	Atlas Copco AB	535	424	
59 970	Coor Service Management Holding AB	610	642	
66 518	Nordea Bank Abp	954	765	
		2 790	2 435	3.7
Switzerland				
654	Geberit AG	340	348	
3 410	Lonza Group AG	1 408	1 210	
6 686	Roche Holdings AG Genusscheine	2 156	2 266	
8 595	Sika AG	1 300	1 490	
		5 204	5 314	8.0
United Kingdom				
49 570	Antofagasta Plc.	644	677	
24 368	Ashtead Group Plc.	751	694	
80 996	Barratt Developments Plc.	841	652	
16 317	Burberry Group Plc.	415	489	
50 425	Diageo Plc.	2 120	2 460	
42 154	Hargreaves Lansdown Plc.	1 355	1 357	
21 786	Imperial Brands Plc.	1 046	903	
469 291	Lloyds TSB Group Plc.	554	422	
24 244	London Stock Exchange Group Plc.	1 541	1 717	
6 857	Rathbone Brothers Plc.	311	279	
81 535	RELX Plc.	2 054	2 290	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United Kingdom (cont.)				
35 580	Royal Dutch Shell Plc., A Shares	\$ 1 314	\$ 1 432	
21 867	Schroders Plc.	1 150	930	
76 474	The Sage Group Plc.	849	801	
43 414	Unilever Plc.	2 918	3 112	
		17 863	18 215	27.5
TOTAL INTERNATIONAL EQUITIES		65 302	64 038	96.6
SHORT-TERM INVESTMENTS*		2 035	2 035	3.1
TOTAL INVESTMENTS		67 337	66 073	99.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	1 018	1.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(836)	(1.3)
TOTAL PORTFOLIO		\$ 67 337	66 255	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			54	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 66 309		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 2 Sold DKK 10 @ 0.2092	02-Jan-2019	\$ —
Bought GBP 2 Sold CAD 4 @ 0.5776	02-Jan-2019	—
Bought USD 50 Sold CAD 65 @ 0.7644	04-Jan-2019	2
Bought USD 68 Sold CAD 90 @ 0.7524	04-Jan-2019	2
Bought USD 49 Sold CAD 65 @ 0.7526	04-Jan-2019	2
Bought JPY 90 653 Sold CAD 1 046 @ 86.6800	08-Jan-2019	83
Bought JPY 18 000 Sold CAD 203 @ 88.4620	08-Jan-2019	21
Bought JPY 12 000 Sold CAD 140 @ 85.9973	08-Jan-2019	10
Bought JPY 17 000 Sold CAD 210 @ 80.9739	08-Jan-2019	2
Bought SGD 60 Sold CAD 57 @ 1.0528	08-Jan-2019	3
Bought JPY 26 800 Sold CAD 311 @ 86.1799	10-Jan-2019	23
Bought SEK 577 Sold CAD 86 @ 6.6920	11-Jan-2019	3
Bought CAD 87 Sold HKD 500 @ 0.1741	14-Jan-2019	—
Bought ILS 240 Sold CAD 85 @ 2.8152	14-Jan-2019	2
Bought SGD 70 Sold CAD 65 @ 1.0715	14-Jan-2019	5
Bought USD 64 Sold CAD 83 @ 0.7700	14-Jan-2019	4
Bought USD 100 Sold CAD 134 @ 0.7462	14-Jan-2019	2
Bought EUR 420 Sold CAD 626 @ 0.6708	16-Jan-2019	31
Bought JPY 117 340 Sold CAD 1 374 @ 85.4065	16-Jan-2019	89
Bought JPY 15 000 Sold CAD 180 @ 83.3300	16-Jan-2019	7
Bought JPY 25 000 Sold CAD 308 @ 81.0930	16-Jan-2019	3
Bought ILS 244 Sold CAD 88 @ 2.7821	17-Jan-2019	1
Bought SGD 538 Sold CAD 506 @ 1.0636	17-Jan-2019	33
Bought USD 897 Sold EUR 770 @ 1.1650	17-Jan-2019	19
Bought AUD 320 Sold CAD 297 @ 1.0775	18-Jan-2019	11

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought AUD 100 Sold CAD 97 @ 1.0361	18-Jan-2019	\$ —
Bought EUR 100 Sold CAD 150 @ 0.6663	18-Jan-2019	6
Bought CAD 5 Sold GBP 3 @ 1.7021	22-Jan-2019	—
Bought CAD 20 Sold GBP 12 @ 1.6996	22-Jan-2019	—
Bought JPY 14 300 Sold CAD 165 @ 86.6586	22-Jan-2019	13
Bought JPY 15 000 Sold CAD 174 @ 86.0697	22-Jan-2019	13
Bought GBP 54 Sold CAD 93 @ 0.5792	23-Jan-2019	1
Bought SEK 1 600 Sold CAD 234 @ 6.8405	23-Jan-2019	13
Bought CAD 26 Sold GBP 15 @ 1.7088	24-Jan-2019	—
Bought DKK 661 Sold CAD 133 @ 4.9676	24-Jan-2019	6
Bought DKK 855 Sold CAD 175 @ 4.8856	24-Jan-2019	4
Bought CAD 3 Sold EUR 2 @ 1.4987	25-Jan-2019	—
Bought CAD 90 Sold GBP 52 @ 1.7324	25-Jan-2019	—
Bought CHF 124 Sold CAD 163 @ 0.7613	25-Jan-2019	10
Bought EUR 100 Sold CAD 149 @ 0.6701	25-Jan-2019	7
Bought EUR 136 Sold CAD 204 @ 0.6656	25-Jan-2019	9
Bought EUR 560 Sold CAD 845 @ 0.6626	25-Jan-2019	32
Bought EUR 260 Sold CAD 396 @ 0.6566	25-Jan-2019	11
Bought EUR 200 Sold CAD 304 @ 0.6573	25-Jan-2019	9
Bought GBP 5 Sold CAD 8 @ 0.5937	25-Jan-2019	—
Bought GBP 88 Sold CAD 149 @ 0.5892	25-Jan-2019	4
Bought NOK 200 Sold CAD 31 @ 6.3705	25-Jan-2019	—
Bought CAD 8 Sold USD 6 @ 1.3077	29-Jan-2019	—
Bought CHF 382 Sold CAD 515 @ 0.7417	29-Jan-2019	17
Bought SEK 2 669 Sold CAD 393 @ 6.7970	29-Jan-2019	19
Bought NZD 100 Sold CAD 86 @ 1.1619	30-Jan-2019	6
Bought CAD 14 Sold GBP 8 @ 1.6999	31-Jan-2019	—
Bought EUR 188 Sold CAD 285 @ 0.6590	31-Jan-2019	9
Bought EUR 1 100 Sold CAD 1 674 @ 0.6571	31-Jan-2019	50
Bought EUR 49 Sold CAD 74 @ 0.6644	05-Feb-2019	3
Bought EUR 65 Sold CAD 98 @ 0.6652	05-Feb-2019	4
Bought EUR 80 Sold CAD 122 @ 0.6568	05-Feb-2019	4
Bought CAD 5 Sold GBP 3 @ 1.7269	06-Feb-2019	—
Bought DKK 500 Sold CAD 101 @ 4.9708	06-Feb-2019	4
Bought EUR 205 Sold CAD 308 @ 0.6657	06-Feb-2019	13
Bought EUR 150 Sold CAD 227 @ 0.6622	06-Feb-2019	9
Bought JPY 74 000 Sold CAD 868 @ 85.2745	06-Feb-2019	56
Bought JPY 34 574 Sold CAD 403 @ 85.7140	08-Feb-2019	28
Bought SGD 200 Sold CAD 193 @ 1.0356	08-Feb-2019	7
Bought USD 20 Sold CAD 27 @ 0.7475	08-Feb-2019	1
Bought EUR 370 Sold CAD 558 @ 0.6633	11-Feb-2019	22
Bought USD 25 Sold CAD 33 @ 0.7482	12-Feb-2019	1
Bought EUR 420 Sold CAD 639 @ 0.6576	13-Feb-2019	20
Bought CAD 12 Sold USD 9 @ 1.3086	14-Feb-2019	—
Bought EUR 255 Sold CAD 383 @ 0.6659	14-Feb-2019	17
Bought CAD 8 Sold SEK 53 @ 0.1483	15-Feb-2019	—
Bought DKK 47 Sold CAD 10 @ 4.8992	15-Feb-2019	—
Bought SEK 70 Sold CAD 10 @ 6.7556	15-Feb-2019	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 293 Sold AUD 304 @ 0.9634	20-Feb-2019	\$ 1
Bought CAD 51 Sold AUD 52 @ 0.9714	20-Feb-2019	1
Bought CHF 101 Sold CAD 135 @ 0.7470	20-Feb-2019	6
Bought EUR 1 242 Sold CAD 1 881 @ 0.6604	20-Feb-2019	68
Bought CHF 90 Sold CAD 121 @ 0.7439	21-Feb-2019	4
Bought GBP 613 Sold CAD 1 035 @ 0.5920	22-Feb-2019	33
Bought NOK 730 Sold CAD 114 @ 6.3932	22-Feb-2019	1
Bought SEK 301 Sold CAD 44 @ 6.8358	25-Feb-2019	2
Bought SGD 70 Sold CAD 68 @ 1.0276	26-Feb-2019	2
Bought USD 40 Sold CAD 53 @ 0.7577	27-Feb-2019	2
Bought EUR 104 Sold CAD 157 @ 0.6612	01-Mar-2019	6
Bought GBP 68 Sold CAD 115 @ 0.5900	01-Mar-2019	3
Bought USD 70 Sold CAD 93 @ 0.7494	04-Mar-2019	2
Bought SGD 45 Sold CAD 43 @ 1.0353	05-Mar-2019	2
Bought CAD 9 Sold GBP 5 @ 1.7190	06-Mar-2019	—
Bought GBP 28 Sold CAD 48 @ 0.5839	06-Mar-2019	1
Bought JPY 18 000 Sold CAD 216 @ 83.4840	06-Mar-2019	9
Bought CHF 120 Sold CAD 160 @ 0.7488	08-Mar-2019	7
Bought JPY 14 000 Sold CAD 165 @ 84.7470	08-Mar-2019	10
Bought CAD 72 Sold AUD 75 @ 0.9588	11-Mar-2019	—
Bought JPY 101 976 Sold CAD 1 215 @ 83.9010	12-Mar-2019	60
Bought CHF 58 Sold CAD 79 @ 0.7318	13-Mar-2019	2
Bought CAD 9 Sold USD 7 @ 1.3348	14-Mar-2019	—
Bought DKK 1 062 Sold CAD 217 @ 4.8883	15-Mar-2019	6
Bought NOK 550 Sold CAD 85 @ 6.4550	18-Mar-2019	2
Bought CAD 27 Sold USD 20 @ 1.3378	19-Mar-2019	—
Bought USD 44 Sold CAD 59 @ 0.7487	19-Mar-2019	1
Bought AUD 304 Sold CAD 291 @ 1.0435	21-Mar-2019	1
		\$ 1 018

Contracts	Maturity Date	Unrealized Loss
Bought CAD 179 Sold USD 139 @ 1.2906	04-Jan-2019	\$ (10)
Bought CAD 79 Sold USD 60 @ 1.3103	04-Jan-2019	(3)
Bought CAD 93 Sold JPY 8 000 @ 0.0117	08-Jan-2019	(6)
Bought CAD 3 244 Sold JPY 275 000 @ 0.0118	08-Jan-2019	(182)
Bought CAD 266 Sold DKK 1 330 @ 0.1999	09-Jan-2019	(13)
Bought CAD 23 Sold DKK 116 @ 0.2019	09-Jan-2019	(1)
Bought CAD 442 Sold IDR 5 200 000 @ 0.0001	09-Jan-2019	(51)
Bought CAD 47 Sold JPY 4 000 @ 0.0117	10-Jan-2019	(3)
Bought CAD 26 Sold AUD 28 @ 0.9424	10-Jan-2019	(1)
Bought CAD 275 Sold SEK 1 853 @ 0.1482	11-Jan-2019	(11)
Bought CAD 449 Sold SEK 3 062 @ 0.1466	11-Jan-2019	(23)
Bought CAD 234 Sold SEK 1 599 @ 0.1462	11-Jan-2019	(13)
Bought CAD 20 Sold USD 16 @ 1.2771	14-Jan-2019	(1)
Bought CAD 83 Sold SEK 578 @ 0.1436	15-Jan-2019	(6)
Bought CAD 295 Sold HKD 1 790 @ 0.1649	15-Jan-2019	(17)
Bought CAD 129 Sold AUD 137 @ 0.9427	15-Jan-2019	(3)
Bought CAD 65 Sold USD 50 @ 1.2980	16-Jan-2019	(3)
Bought CAD 236 Sold JPY 20 000 @ 0.0118	16-Jan-2019	(13)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 96 Sold EUR 64 @ 1.5054	16-Jan-2019	\$ (4)
Bought CAD 241 Sold EUR 159 @ 1.5141	16-Jan-2019	(8)
Bought CAD 122 Sold EUR 80 @ 1.5248	16-Jan-2019	(3)
Bought CAD 92 Sold CHF 70 @ 1.3174	17-Jan-2019	(5)
Bought CAD 26 Sold USD 20 @ 1.2808	18-Jan-2019	(2)
Bought CAD 101 Sold DKK 500 @ 0.2022	18-Jan-2019	(4)
Bought CAD 94 Sold EUR 62 @ 1.5207	18-Jan-2019	(3)
Bought CAD 203 Sold JPY 18 000 @ 0.0113	22-Jan-2019	(21)
Bought CAD 524 Sold GBP 308 @ 1.7008	22-Jan-2019	(12)
Bought CAD 175 Sold JPY 15 000 @ 0.0117	22-Jan-2019	(12)
Bought CAD 297 Sold HKD 1 770 @ 0.1676	22-Jan-2019	(12)
Bought CAD 66 Sold GBP 39 @ 1.6839	22-Jan-2019	(2)
Bought CAD 65 Sold CHF 49 @ 1.3253	23-Jan-2019	(3)
Bought CAD 197 Sold SEK 1 347 @ 0.1459	23-Jan-2019	(11)
Bought CAD 907 Sold GBP 539 @ 1.6830	23-Jan-2019	(31)
Bought NOK 800 Sold CAD 127 @ 6.3050	23-Jan-2019	(1)
Bought CAD 204 Sold DKK 1 000 @ 0.2037	24-Jan-2019	(6)
Bought CAD 67 Sold DKK 329 @ 0.2025	24-Jan-2019	(2)
Bought CAD 284 Sold EUR 190 @ 1.4943	25-Jan-2019	(14)
Bought CAD 242 Sold EUR 160 @ 1.5152	25-Jan-2019	(8)
Bought CAD 197 Sold DKK 980 @ 0.2013	28-Jan-2019	(8)
Bought CAD 393 Sold GBP 229 @ 1.7143	28-Jan-2019	(6)
Bought CAD 56 Sold SEK 382 @ 0.1462	29-Jan-2019	(3)
Bought CAD 597 Sold CHF 453 @ 1.3184	29-Jan-2019	(33)
Bought CAD 33 Sold CHF 25 @ 1.3247	29-Jan-2019	(2)
Bought CAD 28 Sold SEK 188 @ 0.1478	29-Jan-2019	(1)
Bought NOK 1 109 Sold CAD 177 @ 6.2655	29-Jan-2019	(2)
Bought CAD 41 Sold DKK 200 @ 0.2029	30-Jan-2019	(1)
Bought NZD 85 Sold CAD 78 @ 1.0845	30-Jan-2019	(1)
Bought USD 707 Sold EUR 620 @ 1.1401	30-Jan-2019	(7)
Bought CAD 150 Sold EUR 100 @ 1.5016	31-Jan-2019	(7)
Bought CAD 84 Sold GBP 49 @ 1.7047	31-Jan-2019	(2)
Bought CAD 136 Sold GBP 80 @ 1.7037	31-Jan-2019	(3)
Bought CAD 173 Sold GBP 100 @ 1.7265	31-Jan-2019	(1)
Bought CAD 155 Sold AUD 165 @ 0.9421	04-Feb-2019	(3)
Bought CAD 203 Sold HKD 1 200 @ 0.1688	04-Feb-2019	(7)
Bought CAD 299 Sold HKD 1 750 @ 0.1707	04-Feb-2019	(6)
Bought CAD 103 Sold GBP 60 @ 1.7119	05-Feb-2019	(2)
Bought CAD 253 Sold GBP 150 @ 1.6868	05-Feb-2019	(8)
Bought CAD 24 Sold GBP 14 @ 1.6937	05-Feb-2019	(1)
Bought CAD 246 Sold EUR 160 @ 1.5357	05-Feb-2019	(5)
Bought CAD 153 Sold EUR 100 @ 1.5311	06-Feb-2019	(4)
Bought CAD 348 Sold GBP 207 @ 1.6834	07-Feb-2019	(12)
Bought CAD 153 Sold GBP 90 @ 1.6961	07-Feb-2019	(4)
Bought CAD 17 Sold HKD 100 @ 0.1684	08-Feb-2019	(1)
Bought CAD 124 Sold EUR 80 @ 1.5553	11-Feb-2019	(1)
Bought CAD 70 Sold JPY 6 000 @ 0.0117	12-Feb-2019	(5)
Bought CAD 146 Sold EUR 96 @ 1.5173	12-Feb-2019	(5)
Bought CAD 58 Sold DKK 286 @ 0.2033	12-Feb-2019	(2)
Bought CAD 516 Sold HKD 3 005 @ 0.1716	14-Feb-2019	(8)
Bought CAD 189 Sold DKK 936 @ 0.2016	15-Feb-2019	(8)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 96 Sold SEK 655 @ 0.1470	15-Feb-2019	\$ (5)
Bought CAD 101 Sold EUR 67 @ 1.5095	21-Feb-2019	(4)
Bought CAD 342 Sold GBP 198 @ 1.7263	21-Feb-2019	(3)
Bought CAD 230 Sold USD 175 @ 1.3127	21-Feb-2019	(9)
Bought CAD 399 Sold GBP 234 @ 1.7039	22-Feb-2019	(9)
Bought CAD 165 Sold JPY 14 000 @ 0.0118	22-Feb-2019	(10)
Bought CAD 297 Sold DKK 1 470 @ 0.2020	22-Feb-2019	(12)
Bought CAD 150 Sold EUR 99 @ 1.5117	25-Feb-2019	(6)
Bought CAD 209 Sold AUD 218 @ 0.9567	26-Feb-2019	(1)
Bought CAD 950 Sold GBP 558 @ 1.7022	26-Feb-2019	(23)
Bought CAD 37 Sold GBP 22 @ 1.6865	26-Feb-2019	(1)
Bought CAD 309 Sold GBP 182 @ 1.6991	28-Feb-2019	(8)
Bought CAD 523 Sold DKK 2 556 @ 0.2046	05-Mar-2019	(17)
Bought CAD 280 Sold EUR 183 @ 1.5308	06-Mar-2019	(7)
Bought CAD 49 Sold EUR 32 @ 1.5205	06-Mar-2019	(2)
Bought CAD 222 Sold HKD 1 296 @ 0.1710	07-Mar-2019	(4)
Bought CAD 66 Sold USD 50 @ 1.3276	11-Mar-2019	(2)
Bought CAD 66 Sold GBP 39 @ 1.6908	12-Mar-2019	(2)
Bought CAD 171 Sold JPY 14 000 @ 0.0122	12-Mar-2019	(4)
Bought CAD 81 Sold EUR 53 @ 1.5244	13-Mar-2019	(2)
Bought CAD 675 Sold DKK 3 288 @ 0.2052	15-Mar-2019	(19)
Bought CAD 86 Sold GBP 51 @ 1.6941	18-Mar-2019	(3)
	\$	(836)
TOTAL FOREIGN EXCHANGE	\$	182

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.18% and mature between January 2, 2019 and January 18, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 66 073	\$ 56 906
Cash	56	10
Due from investment dealers	2	—
Subscriptions receivable	60	85
Unrealized gain on foreign exchange contracts	1 018	160
Dividends receivable, interest accrued and other assets	63	68
TOTAL ASSETS	67 272	57 229
LIABILITIES		
Due to investment dealers	4	5
Redemptions payable	28	169
Unrealized loss on foreign exchange contracts	836	208
Distributions payable	3	3
Accounts payable and accrued expenses	92	78
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	963	463
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 66 309	\$ 56 766
Investments at cost	\$ 67 337	\$ 50 101
NAV		
SERIES A	\$ 21 716	\$ 15 172
ADVISOR SERIES	\$ 13 963	\$ 16 098
SERIES T5	\$ 1 616	\$ 1 500
SERIES D	\$ 2 239	\$ 1 713
SERIES F	\$ 26 051	\$ 21 575
SERIES FT5	\$ 516	\$ 483
SERIES O	\$ 208	\$ 225
NAV PER UNIT		
SERIES A	\$ 10.05	\$ 11.49
ADVISOR SERIES	\$ 10.05	\$ 11.49
SERIES T5	\$ 8.82	\$ 10.58
SERIES D	\$ 9.73	\$ 11.07
SERIES F	\$ 10.46	\$ 11.89
SERIES FT5	\$ 9.30	\$ 11.03
SERIES O	\$ 10.69	\$ 12.02

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 841	\$ 951
Interest for distribution purposes	29	11
Derivative income	306	(284)
Net realized gain (loss) on investments	(2 054)	1 081
Change in unrealized gain (loss) on investments	(7 839)	6 784
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 717)	8 543
Other income (loss)	48	—
Securities lending revenue		
(see note 7 in the generic notes)	32	16
Net gain (loss) on foreign cash balances	(16)	43
TOTAL OTHER INCOME (LOSS)	64	59
TOTAL INCOME (LOSS)	(7 653)	8 602
EXPENSES (see notes – Fund Specific Information)		
Management fees	925	585
Administration fees	105	66
Independent Review Committee costs	2	3
GST/HST	105	69
Transaction costs	119	103
Withholding tax	182	103
Expenses reimbursed by manager	—	(3)
TOTAL EXPENSES	1 438	926
INCREASE (DECREASE) IN NAV	\$ (9 091)	\$ 7 676
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 069)	\$ 1 563
ADVISOR SERIES	\$ (2 025)	\$ 2 815
SERIES T5	\$ (250)	\$ 81
SERIES D	\$ (296)	\$ 141
SERIES F	\$ (3 386)	\$ 2 974
SERIES FT5	\$ (68)	\$ 38
SERIES O	\$ 3	\$ 64
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.58)	\$ 1.70
ADVISOR SERIES	\$ (1.40)	\$ 1.96
SERIES T5	\$ (1.39)	\$ 1.33
SERIES D	\$ (1.33)	\$ 1.25
SERIES F	\$ (1.48)	\$ 2.13
SERIES FT5	\$ (1.27)	\$ 1.54
SERIES O	\$ 0.34	\$ 2.19

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (9 091)	\$ 7 676
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	2 151	(1 014)
Change in unrealized loss (gain) on investments	7 839	(6 784)
(Increase) decrease in accrued receivables	5	(11)
Increase (decrease) in accrued payables	14	30
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(100 609)	(68 769)
Proceeds from sale and maturity of investments	81 219	54 328
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(18 472)	(14 544)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	33 608	27 221
Cash paid on redemption of redeemable units	(14 899)	(12 633)
Distributions paid to holders of redeemable units	(191)	(50)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 18 518	\$ 14 538
Net increase (decrease) in cash for the period	46	(6)
Cash (bank overdraft), beginning of period	10	16
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 56	\$ 10
Interest received (paid)	\$ 27	\$ 11
Dividends received, net of withholding taxes	\$ 1 669	\$ 837

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 15 172	\$ 4 645	\$ 16 098	\$ 14 269	\$ 1 500	\$ 10	\$ 1 713	\$ 425
INCREASE (DECREASE) IN NAV	(3 069)	1 563	(2 025)	2 815	(250)	81	(296)	141
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	16 673	11 802	2 859	2 391	1 108	1 595	2 284	2 308
Reinvestments of distributions to holders of redeemable units	130	31	92	44	56	20	23	9
Redemption of redeemable units	(7 058)	(2 838)	(2 965)	(3 375)	(703)	(175)	(1 461)	(1 161)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	9 745	8 995	(14)	(940)	461	1 440	846	1 156
Distributions from net income	(132)	(31)	(96)	(46)	(5)	—	(24)	(9)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(90)	(31)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(132)	(31)	(96)	(46)	(95)	(31)	(24)	(9)
NET INCREASE (DECREASE) IN NAV	6 544	10 527	(2 135)	1 829	116	1 490	526	1 288
NAV AT END OF PERIOD	\$ 21 716	\$ 15 172	\$ 13 963	\$ 16 098	\$ 1 616	\$ 1 500	\$ 2 239	\$ 1 713

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 21 575	\$ 14 685	\$ 483	\$ 54	\$ 225	\$ 350	\$ 56 766	\$ 34 438
INCREASE (DECREASE) IN NAV	(3 386)	2 974	(68)	38	3	64	(9 091)	7 676
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	13 465	9 812	324	455	203	—	36 916	28 363
Reinvestments of distributions to holders of redeemable units	166	46	26	10	2	2	495	162
Redemption of redeemable units	(5 462)	(5 860)	(219)	(61)	(223)	(188)	(18 091)	(13 658)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	8 169	3 998	131	404	(18)	(186)	19 320	14 867
Distributions from net income	(307)	(82)	(8)	(3)	(2)	(3)	(574)	(174)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	(22)	(10)	—	—	(112)	(41)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(307)	(82)	(30)	(13)	(2)	(3)	(686)	(215)
NET INCREASE (DECREASE) IN NAV	4 476	6 890	33	429	(17)	(125)	9 543	22 328
NAV AT END OF PERIOD	\$ 26 051	\$ 21 575	\$ 516	\$ 483	\$ 208	\$ 225	\$ 66 309	\$ 56 766

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of major companies domiciled in developed countries outside of North America.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	27.5	24.0
Japan	20.4	16.9
Switzerland	8.0	4.1
Australia	7.3	7.7
Netherlands	5.4	6.8
Germany	5.2	9.1
Denmark	4.8	5.5
Sweden	3.7	3.8
China	3.6	4.4
France	3.6	2.9
Hong Kong	3.0	2.8
Ireland	2.4	4.9
Finland	1.0	2.1
Indonesia	0.7	1.1
Spain	–	2.0
Cash/Other	3.4	1.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	27.8	29.2
Japanese yen	24.5	23.9
Pound sterling	17.1	17.7
Swiss franc	8.6	8.0
Australian dollar	6.9	6.9
United States dollar	4.2	3.8
Hong Kong dollar	3.6	3.5
Swedish krona	2.6	2.6
Danish krone	1.6	1.9
Singapore dollar	1.5	1.3
Norwegian krone	0.8	0.6
Other currencies	0.6	0.5
Total	99.8	99.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	640	63 398	–	64 038
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 035	–	2 035
Derivatives – assets	–	1 018	–	1 018
Derivatives – liabilities	–	(836)	–	(836)
Total financial instruments	640	65 615	–	66 255
% of total portfolio	1.0	99.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	768	54 872	–	55 640
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 266	–	1 266
Derivatives – assets	–	160	–	160
Derivatives – liabilities	–	(208)	–	(208)
Total financial instruments	768	56 090	–	56 858
% of total portfolio	1.4	98.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	97	96
Series T5	110	105
Series D	103	102
Series FT5	108	103
Series O	57	57
Value of all units	5	5

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	59 849
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 320	487
Issued number of units	1 458	1 094
Reinvested number of units	11	3
Redeemed number of units	(629)	(264)
Ending number of units	2 160	1 320

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	1 401	1 495
Issued number of units	248	220
Reinvested number of units	8	4
Redeemed number of units	(268)	(318)
Ending number of units	1 389	1 401

Series T5		
Opening units	142	1
Issued number of units	107	156
Reinvested number of units	6	2
Redeemed number of units	(72)	(17)
Ending number of units	183	142

Series D		
Opening units	155	46
Issued number of units	205	220
Reinvested number of units	2	1
Redeemed number of units	(132)	(112)
Ending number of units	230	155

Series F		
Opening units	1 815	1 500
Issued number of units	1 139	874
Reinvested number of units	14	4
Redeemed number of units	(477)	(563)
Ending number of units	2 491	1 815

Series FT5		
Opening units	44	6
Issued number of units	31	43
Reinvested number of units	2	1
Redeemed number of units	(21)	(6)
Ending number of units	56	44

Series O		
Opening units	19	36
Issued number of units	19	—
Reinvested number of units	—	—
Redeemed number of units	(19)	(17)
Ending number of units	19	19

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	119	100	103	100
Related-party brokerage commissions*	2	2	5	5
Commission arrangements [†]	29	24	32	31

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	261	5 324
Fair value of collateral received	267	5 430

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	43	100	22	100
RBC IS (paid)	(11)	(25)	(6)	(27)
Tax withheld	—	—	—	—
Fund revenue	32	75	16	73

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 018	(836)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1 018	(836)
Related amounts not set-off	(650)	650
Collateral (received) pledged	—	—
Net amount	368	(186)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	160	(208)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	160	(208)
Related amounts not set-off	(72)	72
Collateral (received) pledged	—	—
Net amount	88	(136)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC INTERNATIONAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Australia				
262 982	Aristocrat Leisure Ltd.	\$ 5 907	\$ 5 526	
784 806	Challenger Ltd.	9 171	7 163	
45 238	Cochlear Limited	5 375	7 566	
100 432	Commonwealth Bank of Australia	7 951	6 994	
181 845	CSL Ltd.	20 160	32 427	
484 225	James Hardie Industries Plc., Subscription Receipts	8 806	7 201	
1 339 497	Oil Search Ltd.	9 505	9 211	
		66 875	76 088	8.1
China				
430 088	China Literature Ltd.	4 762	2 722	
594 500	Ping An Insurance Group Company of China Ltd.	6 001	7 160	
358 400	Tencent Holdings Ltd.	11 369	19 611	
94	Tencent Music Entertainment Group ADR	2	2	
		22 134	29 495	3.2
Denmark				
20 286	Christian Hansen Holding A/S	1 662	2 452	
313 622	ISS A/S	14 362	11 962	
456 619	Novo Nordisk A/S	28 162	28 584	
90 001	Novozymes A/S	5 786	5 483	
		49 972	48 481	5.2
Finland				
175 770	Sampo OYJ	11 210	10 593	
		11 210	10 593	1.1
France				
41 098	EssilorLuxottica	6 893	7 112	
77 588	Groupe Danone	7 516	7 466	
35 950	LVMH Louis Vuitton Moet-Hennessy	12 938	14 369	
		27 347	28 947	3.1
Germany				
125 383	Bayer AG	18 313	11 926	
35 923	Continental AG	10 372	6 809	
115 824	Fresenius Medical Care AG & Co. KGaA	14 923	10 226	
31 787	KION Group AG	3 675	2 200	
109 179	SAP SE	14 015	14 844	
39 837	Symrise AG	3 458	4 035	
5 775	Wirecard AG	1 123	1 189	
		65 879	51 229	5.5
Hong Kong				
1 355 000	AIA Group Ltd.	10 683	15 366	
		10 683	15 366	1.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Indonesia				
36 355 800	PT Hanjaya Mandala Sampoerna Tbk	\$ 13 791	\$ 12 836	
		13 791	12 836	1.4
Ireland				
101 740	CRH Plc.	4 802	3 677	
86 351	Paddy Power Betfair Plc.	13 202	9 629	
83 075	Ryanair Holdings Plc. ADR	10 297	8 091	
		28 301	21 397	2.3
Japan				
250 600	Asahi Group Holdings Ltd.	16 003	13 258	
380 300	Bridgestone Corp.	19 043	19 919	
356 900	Daiichi Sankyo Co. Ltd.	17 946	15 585	
3 151 400	Mitsubishi UFJ Financial Group Inc.	24 049	21 114	
77 200	Nitori Co. Ltd.	11 015	13 200	
347 200	Recruit Holdings Co. Ltd.	12 171	11 451	
97 500	SanBio Co. Ltd.	10 192	9 804	
33 700	SMC Corp.	13 094	13 852	
266 300	SoftBank Group Corp.	22 344	23 812	
204 600	Suzuki Motor Co. Ltd.	13 568	14 081	
139 200	Sysmex Corp.	10 962	9 025	
3 221 400	Yahoo! Japan Corp.	19 435	10 941	
338 600	ZOZO Inc.	15 452	8 469	
		205 274	184 511	19.7
Netherlands				
239 074	Heineken N.V.	28 736	28 848	
761 515	ING Groep N.V.	16 366	11 183	
166 742	Intertrust N.V.	4 392	3 822	
180 819	NN Group N.V.	9 435	9 815	
		58 929	53 668	5.7
Sweden				
295 789	Assa Abloy AB	8 076	7 209	
215 988	Atlas Copco AB	8 460	7 017	
393 268	Coor Service Management Holding AB	4 030	4 207	
983 392	Nordea Bank Abp	14 062	11 310	
		34 628	29 743	3.2
Switzerland				
42 400	Lonza Group AG	17 486	15 047	
96 499	Roche Holdings AG Genussscheine	31 917	32 706	
137 370	Sika AG	20 264	23 822	
		69 667	71 575	7.6
Taiwan				
1 797 000	Taiwan Semiconductor Manufacturing Co. Ltd.	12 192	17 814	
		12 192	17 814	1.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United Kingdom				
708 427	Antofagasta Plc.	\$ 9 126	\$ 9 673	
387 078	Ashtead Group Plc.	11 769	11 023	
1 293 334	Barratt Developments Plc.	13 728	10 415	
306 345	Burberry Group Plc.	7 539	9 184	
359 191	Daily Mail & General Trust Plc.	4 814	3 595	
57 273	DCC Plc.	6 925	5 964	
737 845	Diageo Plc.	30 845	35 995	
558 819	Hargreaves Lansdown Plc.	17 552	17 993	
266 798	Imperial Brands Plc.	12 780	11 055	
7 120 522	Lloyds TSB Group Plc.	8 438	6 408	
352 331	London Stock Exchange Group Plc.	21 706	24 955	
64 401	Rathbone Brothers Plc.	2 930	2 624	
1 231 352	RELX Plc.	30 811	34 588	
464 964	Royal Dutch Shell Plc., A Shares	17 081	18 710	
336 779	Schroders Plc.	18 254	14 319	
1 163 583	The Sage Group Plc.	13 055	12 183	
617 910	Unilever Plc.	39 923	44 290	
		267 276	272 974	29.2
TOTAL INTERNATIONAL EQUITIES		944 158	924 717	98.8
SHORT-TERM INVESTMENTS*		2 237	2 237	0.2
TOTAL INVESTMENTS		946 395	926 954	99.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	13 416	1.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(12 389)	(1.3)
TOTAL PORTFOLIO		<u>\$ 946 395</u>	<u>927 981</u>	99.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			8 186	0.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 936 167</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 15 Sold USD 11 @ 1.3636	02-Jan-2019	\$ —
Bought JPY 1 758 891 Sold CAD 20 292 @ 86.6800	08-Jan-2019	1 618
Bought JPY 100 000 Sold CAD 1 181 @ 84.6900	08-Jan-2019	65
Bought JPY 150 000 Sold CAD 1 771 @ 84.6850	08-Jan-2019	97
Bought IDR 15 000 000 Sold CAD 1 350 @ 11114.0000	09-Jan-2019	72
Bought JPY 605 000 Sold CAD 7 020 @ 86.1799	10-Jan-2019	517
Bought JPY 70 000 Sold CAD 819 @ 85.4531	10-Jan-2019	53
Bought EUR 461 Sold CAD 693 @ 0.6653	11-Jan-2019	29
Bought SEK 4 400 Sold CAD 648 @ 6.7948	11-Jan-2019	31
Bought SEK 9 900 Sold CAD 1 479 @ 6.6920	11-Jan-2019	46
Bought SEK 14 915 Sold CAD 2 202 @ 6.7722	11-Jan-2019	96
Bought SEK 4 196 Sold CAD 631 @ 6.6503	11-Jan-2019	16
Bought ILS 979 Sold CAD 348 @ 2.8152	14-Jan-2019	10
Bought USD 1 031 Sold CAD 1 339 @ 0.7700	14-Jan-2019	68
Bought AUD 1 700 Sold CAD 1 630 @ 1.0427	15-Jan-2019	4
Bought SEK 1 790 Sold CAD 265 @ 6.7531	15-Jan-2019	11
Bought EUR 3 700 Sold CAD 5 516 @ 0.6708	16-Jan-2019	277
Bought JPY 398 304 Sold CAD 4 664 @ 85.4065	16-Jan-2019	301

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 250 000 Sold CAD 3 083 @ 81.0930	16-Jan-2019	\$ 33
Bought USD 897 Sold CAD 1 223 @ 0.7333	16-Jan-2019	1
Bought EUR 1 796 Sold CAD 2 711 @ 0.6625	17-Jan-2019	101
Bought EUR 1 100 Sold USD 1 249 @ 0.8808	17-Jan-2019	18
Bought ILS 2 100 Sold CAD 755 @ 2.7821	17-Jan-2019	13
Bought SGD 1 500 Sold CAD 1 410 @ 1.0636	17-Jan-2019	92
Bought USD 13 910 Sold EUR 11 940 @ 1.1650	17-Jan-2019	289
Bought AUD 3 000 Sold CAD 2 784 @ 1.0775	18-Jan-2019	100
Bought CAD 1 928 Sold AUD 2 000 @ 0.9641	18-Jan-2019	5
Bought CHF 1 652 Sold CAD 2 204 @ 0.7495	18-Jan-2019	93
Bought DKK 7 820 Sold CAD 1 635 @ 4.7819	18-Jan-2019	5
Bought EUR 498 Sold CAD 747 @ 0.6663	18-Jan-2019	32
Bought EUR 1 186 Sold CAD 1 834 @ 0.6466	18-Jan-2019	23
Bought GBP 300 Sold CAD 505 @ 0.5938	22-Jan-2019	17
Bought JPY 200 000 Sold CAD 2 324 @ 86.0697	22-Jan-2019	170
Bought SGD 3 350 Sold CAD 3 184 @ 1.0523	22-Jan-2019	172
Bought GBP 1 860 Sold CAD 3 211 @ 0.5792	23-Jan-2019	27
Bought SEK 13 460 Sold CAD 1 968 @ 6.8405	23-Jan-2019	108
Bought DKK 1 400 Sold CAD 283 @ 4.9435	24-Jan-2019	11
Bought DKK 10 000 Sold CAD 2 047 @ 4.8856	24-Jan-2019	51
Bought GBP 806 Sold CAD 1 359 @ 0.5931	24-Jan-2019	44
Bought CHF 216 Sold CAD 284 @ 0.7613	25-Jan-2019	17
Bought CHF 1 155 Sold CAD 1 601 @ 0.7214	25-Jan-2019	6
Bought EUR 3 208 Sold CAD 4 808 @ 0.6672	25-Jan-2019	217
Bought EUR 200 Sold CAD 298 @ 0.6701	25-Jan-2019	15
Bought EUR 2 000 Sold CAD 3 005 @ 0.6656	25-Jan-2019	128
Bought EUR 7 000 Sold CAD 10 565 @ 0.6626	25-Jan-2019	400
Bought EUR 4 000 Sold CAD 6 092 @ 0.6566	25-Jan-2019	174
Bought GBP 618 Sold CAD 1 041 @ 0.5937	25-Jan-2019	35
Bought GBP 300 Sold CAD 509 @ 0.5892	25-Jan-2019	13
Bought GBP 1 800 Sold CAD 3 118 @ 0.5772	25-Jan-2019	16
Bought NOK 6 285 Sold CAD 987 @ 6.3705	25-Jan-2019	6
Bought SEK 20 609 Sold CAD 3 032 @ 6.7970	29-Jan-2019	148
Bought EUR 1 600 Sold USD 1 820 @ 0.8793	30-Jan-2019	25
Bought EUR 10 270 Sold CAD 15 584 @ 0.6590	31-Jan-2019	510
Bought EUR 9 525 Sold CAD 14 496 @ 0.6571	31-Jan-2019	430
Bought EUR 4 355 Sold CAD 6 555 @ 0.6644	05-Feb-2019	272
Bought EUR 1 014 Sold CAD 1 524 @ 0.6652	05-Feb-2019	65
Bought EUR 1 155 Sold CAD 1 753 @ 0.6590	05-Feb-2019	58
Bought EUR 1 000 Sold CAD 1 523 @ 0.6568	05-Feb-2019	45
Bought EUR 2 617 Sold CAD 3 931 @ 0.6657	06-Feb-2019	171
Bought EUR 1 160 Sold CAD 1 813 @ 0.6397	06-Feb-2019	5
Bought ILS 2 600 Sold CAD 935 @ 2.7810	07-Feb-2019	16
Bought JPY 735 138 Sold CAD 8 577 @ 85.7140	08-Feb-2019	599
Bought SGD 2 166 Sold CAD 2 091 @ 1.0356	08-Feb-2019	78
Bought USD 325 Sold CAD 435 @ 0.7475	08-Feb-2019	8
Bought EUR 5 000 Sold CAD 7 539 @ 0.6633	11-Feb-2019	302
Bought JPY 330 769 Sold CAD 4 036 @ 81.9600	12-Feb-2019	93
Bought USD 543 Sold CAD 726 @ 0.7482	12-Feb-2019	15
Bought CHF 4 264 Sold CAD 5 755 @ 0.7409	13-Feb-2019	185
Bought EUR 5 500 Sold CAD 8 364 @ 0.6576	13-Feb-2019	262
Bought EUR 3 000 Sold CAD 4 505 @ 0.6659	14-Feb-2019	200
Bought SGD 2 586 Sold CAD 2 485 @ 1.0407	14-Feb-2019	105

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought DKK 4 942 Sold CAD 1 028 @ 4.8075	15-Feb-2019	\$ 10
Bought NOK 10 500 Sold CAD 1 626 @ 6.4565	15-Feb-2019	33
Bought TWD 35 000 Sold CAD 1 508 @ 23.2100	15-Feb-2019	59
Bought CAD 2 460 Sold AUD 2 553 @ 0.9634	20-Feb-2019	6
Bought CAD 3 108 Sold AUD 3 200 @ 0.9714	20-Feb-2019	32
Bought CHF 175 Sold CAD 234 @ 0.7470	20-Feb-2019	10
Bought EUR 10 523 Sold CAD 15 934 @ 0.6604	20-Feb-2019	575
Bought CHF 3 287 Sold CAD 4 419 @ 0.7439	21-Feb-2019	163
Bought EUR 1 200 Sold CAD 1 811 @ 0.6625	21-Feb-2019	71
Bought JPY 535 000 Sold CAD 6 319 @ 84.6651	21-Feb-2019	363
Bought GBP 6 040 Sold CAD 10 202 @ 0.5920	22-Feb-2019	321
Bought NOK 6 900 Sold CAD 1 079 @ 6.3932	22-Feb-2019	11
Bought JPY 237 000 Sold CAD 2 811 @ 84.3000	26-Feb-2019	149
Bought SGD 2 920 Sold CAD 2 842 @ 1.0276	26-Feb-2019	83
Bought EUR 3 498 Sold CAD 5 291 @ 0.6612	01-Mar-2019	200
Bought CAD 9 Sold USD 7 @ 1.3275	04-Mar-2019	–
Bought USD 1 860 Sold CAD 2 482 @ 0.7494	04-Mar-2019	53
Bought DKK 5 546 Sold CAD 1 152 @ 4.8157	05-Mar-2019	15
Bought SGD 3 115 Sold CAD 3 009 @ 1.0353	05-Mar-2019	111
Bought EUR 2 900 Sold CAD 4 373 @ 0.6631	06-Mar-2019	180
Bought GBP 720 Sold CAD 1 233 @ 0.5839	06-Mar-2019	22
Bought JPY 391 313 Sold CAD 4 687 @ 83.4840	06-Mar-2019	204
Bought EUR 2 551 Sold CAD 3 845 @ 0.6634	07-Mar-2019	160
Bought HKD 5 895 Sold CAD 1 019 @ 5.7870	07-Mar-2019	10
Bought EUR 4 156 Sold CAD 6 347 @ 0.6548	08-Mar-2019	179
Bought JPY 335 000 Sold CAD 3 956 @ 84.6740	11-Mar-2019	232
Bought JPY 576 015 Sold CAD 6 865 @ 83.9010	12-Mar-2019	337
Bought CHF 11 081 Sold CAD 15 143 @ 0.7318	13-Mar-2019	325
Bought AUD 2 162 Sold CAD 2 077 @ 1.0409	14-Mar-2019	1
Bought HKD 9 716 Sold CAD 1 693 @ 5.7395	14-Mar-2019	2
Bought DKK 12 355 Sold CAD 2 527 @ 4.8883	15-Mar-2019	73
Bought NOK 8 977 Sold CAD 1 391 @ 6.4550	18-Mar-2019	29
Bought USD 1 516 Sold CAD 2 025 @ 0.7487	19-Mar-2019	41
Bought USD 1 800 Sold CAD 2 431 @ 0.7405	19-Mar-2019	21
		\$ 13 416

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 633 Sold DKK 7 818 @ 0.2089	02-Jan-2019	\$ (5)
Bought CAD 594 Sold EUR 381 @ 1.5599	02-Jan-2019	(2)
Bought CAD 1 945 Sold GBP 1 123 @ 1.7314	02-Jan-2019	(10)
Bought CAD 2 078 Sold AUD 2 162 @ 0.9611	03-Jan-2019	(1)
Bought CAD 1 692 Sold HKD 9 716 @ 0.1741	03-Jan-2019	(2)
Bought CAD 909 Sold USD 704 @ 1.2906	04-Jan-2019	(52)
Bought CAD 21 670 Sold JPY 1 837 000 @ 0.0118	08-Jan-2019	(1 213)
Bought CAD 4 470 Sold DKK 22 367 @ 0.1999	09-Jan-2019	(218)
Bought CAD 353 Sold DKK 1 750 @ 0.2019	09-Jan-2019	(13)
Bought CAD 10 203 Sold IDR 120 000 000 @ 0.0001	09-Jan-2019	(1 173)
Bought CAD 1 445 Sold SEK 9 748 @ 0.1482	11-Jan-2019	(57)
Bought CAD 1 766 Sold IDR 21 000 000 @ 0.0001	11-Jan-2019	(224)
Bought CAD 3 215 Sold SEK 21 921 @ 0.1466	11-Jan-2019	(164)
Bought CAD 2 273 Sold EUR 1 500 @ 1.5150	11-Jan-2019	(75)
Bought CAD 89 Sold SEK 608 @ 0.1462	11-Jan-2019	(5)
Bought CAD 1 741 Sold HKD 10 000 @ 0.1741	14-Jan-2019	(2)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 105 Sold SEK 14 662 @ 0.1436	15-Jan-2019	\$ (155)
Bought CAD 3 298 Sold HKD 20 000 @ 0.1649	15-Jan-2019	(189)
Bought CAD 3 017 Sold AUD 3 200 @ 0.9427	15-Jan-2019	(60)
Bought CAD 675 Sold USD 520 @ 1.2980	16-Jan-2019	(35)
Bought CAD 1 257 Sold DKK 6 169 @ 0.2037	16-Jan-2019	(37)
Bought CAD 2 985 Sold EUR 2 000 @ 1.4924	16-Jan-2019	(146)
Bought CAD 1 397 Sold EUR 928 @ 1.5054	16-Jan-2019	(56)
Bought CAD 3 760 Sold JPY 320 000 @ 0.0117	16-Jan-2019	(229)
Bought CAD 2 216 Sold EUR 1 435 @ 1.5444	16-Jan-2019	(30)
Bought CAD 1 017 Sold GBP 609 @ 1.6702	17-Jan-2019	(43)
Bought CAD 2 134 Sold DKK 10 598 @ 0.2013	17-Jan-2019	(89)
Bought CAD 1 238 Sold CHF 940 @ 1.3174	17-Jan-2019	(69)
Bought CAD 191 Sold EUR 125 @ 1.5249	17-Jan-2019	(5)
Bought CAD 1 461 Sold SGD 1 500 @ 0.9741	17-Jan-2019	(41)
Bought AUD 1 000 Sold CAD 965 @ 1.0361	18-Jan-2019	(4)
Bought CAD 1 815 Sold DKK 9 093 @ 0.1996	18-Jan-2019	(92)
Bought CAD 1 374 Sold AUD 1 485 @ 0.9250	18-Jan-2019	(54)
Bought CAD 1 352 Sold CHF 1 000 @ 1.3522	18-Jan-2019	(38)
Bought CAD 2 273 Sold EUR 1 495 @ 1.5207	18-Jan-2019	(67)
Bought CAD 1 364 Sold EUR 880 @ 1.5498	18-Jan-2019	(14)
Bought CAD 113 Sold JPY 10 000 @ 0.0113	22-Jan-2019	(12)
Bought CAD 173 Sold GBP 102 @ 1.7008	22-Jan-2019	(4)
Bought CAD 1 753 Sold JPY 150 000 @ 0.0117	22-Jan-2019	(118)
Bought CAD 1 089 Sold HKD 6 500 @ 0.1676	22-Jan-2019	(44)
Bought CAD 800 Sold GBP 470 @ 1.7021	22-Jan-2019	(18)
Bought CAD 1 032 Sold GBP 607 @ 1.6996	22-Jan-2019	(25)
Bought CAD 230 Sold GBP 135 @ 1.7045	22-Jan-2019	(5)
Bought CAD 6 848 Sold CHF 5 167 @ 1.3253	23-Jan-2019	(340)
Bought CAD 2 773 Sold SEK 19 010 @ 0.1459	23-Jan-2019	(158)
Bought CAD 2 073 Sold DKK 10 217 @ 0.2029	23-Jan-2019	(71)
Bought CAD 5 020 Sold GBP 2 983 @ 1.6830	23-Jan-2019	(173)
Bought NOK 5 000 Sold CAD 793 @ 6.3050	23-Jan-2019	(3)
Bought CAD 3 178 Sold DKK 15 600 @ 0.2037	24-Jan-2019	(95)
Bought CAD 1 410 Sold GBP 825 @ 1.7088	24-Jan-2019	(27)
Bought CAD 1 712 Sold GBP 1 000 @ 1.7121	24-Jan-2019	(29)
Bought CAD 2 238 Sold USD 1 714 @ 1.3054	24-Jan-2019	(101)
Bought CAD 469 Sold DKK 2 330 @ 0.2013	24-Jan-2019	(20)
Bought CAD 1 708 Sold GBP 1 000 @ 1.7076	24-Jan-2019	(34)
Bought CAD 1 823 Sold DKK 9 000 @ 0.2025	24-Jan-2019	(65)
Bought CAD 5 081 Sold EUR 3 400 @ 1.4943	25-Jan-2019	(245)
Bought CAD 1 828 Sold DKK 9 088 @ 0.2012	25-Jan-2019	(79)
Bought CAD 2 130 Sold EUR 1 400 @ 1.5215	25-Jan-2019	(63)
Bought CAD 3 651 Sold DKK 18 141 @ 0.2013	28-Jan-2019	(156)
Bought CAD 4 512 Sold GBP 2 632 @ 1.7143	28-Jan-2019	(71)
Bought CAD 2 035 Sold SEK 13 918 @ 0.1462	29-Jan-2019	(113)
Bought CAD 3 926 Sold CHF 2 978 @ 1.3184	29-Jan-2019	(218)
Bought CAD 854 Sold USD 658 @ 1.2983	29-Jan-2019	(43)
Bought CAD 5 829 Sold CHF 4 400 @ 1.3247	29-Jan-2019	(294)
Bought CAD 1 470 Sold SEK 10 000 @ 0.1470	29-Jan-2019	(73)
Bought NOK 10 977 Sold CAD 1 752 @ 6.2655	29-Jan-2019	(18)
Bought CAD 406 Sold DKK 2 000 @ 0.2029	30-Jan-2019	(14)
Bought NZD 1 456 Sold CAD 1 343 @ 1.0845	30-Jan-2019	(9)
Bought USD 12 390 Sold EUR 10 867 @ 1.1401	30-Jan-2019	(127)
Bought CAD 5 524 Sold GBP 3 226 @ 1.7124	31-Jan-2019	(93)
Bought CAD 2 252 Sold EUR 1 500 @ 1.5016	31-Jan-2019	(98)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 423 Sold GBP 835 @ 1.7047	31-Jan-2019	\$ (31)
Bought CAD 2 556 Sold GBP 1 500 @ 1.7037	31-Jan-2019	(57)
Bought CAD 3 885 Sold GBP 2 250 @ 1.7265	31-Jan-2019	(33)
Bought CAD 142 Sold HKD 849 @ 0.1670	04-Feb-2019	(6)
Bought CAD 2 435 Sold AUD 2 585 @ 0.9421	04-Feb-2019	(50)
Bought CAD 1 511 Sold HKD 9 000 @ 0.1679	04-Feb-2019	(59)
Bought CAD 850 Sold HKD 5 000 @ 0.1701	04-Feb-2019	(22)
Bought CAD 698 Sold HKD 4 132 @ 0.1688	04-Feb-2019	(23)
Bought CAD 552 Sold HKD 3 235 @ 0.1707	04-Feb-2019	(12)
Bought CAD 2 553 Sold USD 1 949 @ 1.3098	05-Feb-2019	(105)
Bought CAD 1 712 Sold GBP 1 000 @ 1.7119	05-Feb-2019	(30)
Bought CAD 2 530 Sold GBP 1 500 @ 1.6868	05-Feb-2019	(82)
Bought CAD 339 Sold GBP 200 @ 1.6937	05-Feb-2019	(10)
Bought CAD 5 375 Sold EUR 3 500 @ 1.5357	05-Feb-2019	(111)
Bought CAD 1 238 Sold DKK 6 152 @ 0.2012	06-Feb-2019	(54)
Bought CAD 1 456 Sold GBP 843 @ 1.7269	06-Feb-2019	(12)
Bought CAD 1 837 Sold EUR 1 200 @ 1.5311	06-Feb-2019	(44)
Bought CAD 935 Sold USD 700 @ 1.3363	06-Feb-2019	(19)
Bought CAD 4 288 Sold GBP 2 547 @ 1.6834	07-Feb-2019	(148)
Bought CAD 8 591 Sold GBP 5 065 @ 1.6961	07-Feb-2019	(231)
Bought CAD 1 011 Sold HKD 6 000 @ 0.1684	08-Feb-2019	(36)
Bought CAD 3 000 Sold JPY 250 000 @ 0.0120	08-Feb-2019	(120)
Bought CAD 980 Sold SGD 1 000 @ 0.9804	08-Feb-2019	(21)
Bought CAD 2 311 Sold EUR 1 500 @ 1.5405	11-Feb-2019	(41)
Bought CAD 2 333 Sold EUR 1 500 @ 1.5553	11-Feb-2019	(19)
Bought CAD 938 Sold DKK 4 616 @ 0.2033	12-Feb-2019	(31)
Bought CAD 3 909 Sold DKK 19 400 @ 0.2015	13-Feb-2019	(167)
Bought CAD 107 Sold USD 82 @ 1.3086	14-Feb-2019	(5)
Bought CAD 11 196 Sold EUR 7 400 @ 1.5129	14-Feb-2019	(410)
Bought CAD 1 253 Sold HKD 7 436 @ 0.1685	14-Feb-2019	(43)
Bought CAD 1 093 Sold HKD 6 370 @ 0.1716	14-Feb-2019	(17)
Bought CAD 19 748 Sold TWD 460 000 @ 0.0429	15-Feb-2019	(851)
Bought CAD 416 Sold DKK 2 064 @ 0.2016	15-Feb-2019	(18)
Bought CAD 5 051 Sold GBP 2 926 @ 1.7263	21-Feb-2019	(47)
Bought CAD 575 Sold USD 438 @ 1.3127	21-Feb-2019	(22)
Bought CAD 4 435 Sold GBP 2 603 @ 1.7039	22-Feb-2019	(100)
Bought CAD 2 407 Sold DKK 11 913 @ 0.2020	22-Feb-2019	(97)
Bought CAD 1 107 Sold DKK 5 435 @ 0.2036	22-Feb-2019	(36)
Bought CAD 354 Sold AUD 370 @ 0.9567	26-Feb-2019	(2)
Bought CAD 1 578 Sold GBP 927 @ 1.7022	26-Feb-2019	(37)
Bought CAD 2 226 Sold GBP 1 320 @ 1.6865	26-Feb-2019	(74)
Bought CAD 3 512 Sold GBP 2 067 @ 1.6991	28-Feb-2019	(90)
Bought CAD 173 Sold GBP 100 @ 1.7310	28-Feb-2019	(1)
Bought CAD 10 255 Sold GBP 6 051 @ 1.6948	01-Mar-2019	(289)
Bought CAD 267 Sold DKK 1 304 @ 0.2046	05-Mar-2019	(8)
Bought CAD 7 838 Sold GBP 4 560 @ 1.7190	06-Mar-2019	(109)
Bought CAD 4 898 Sold EUR 3 200 @ 1.5308	06-Mar-2019	(126)
Bought CAD 693 Sold EUR 456 @ 1.5205	06-Mar-2019	(23)
Bought CAD 685 Sold USD 516 @ 1.3271	07-Mar-2019	(19)
Bought AUD 3 600 Sold CAD 3 495 @ 1.0299	11-Mar-2019	(35)
Bought CAD 965 Sold USD 727 @ 1.3276	11-Mar-2019	(26)
Bought CAD 1 194 Sold JPY 100 000 @ 0.0119	11-Mar-2019	(57)
Bought CAD 2 397 Sold AUD 2 500 @ 0.9588	11-Mar-2019	(6)
Bought CAD 6 799 Sold GBP 4 021 @ 1.6908	12-Mar-2019	(210)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 5 365 Sold JPY 440 000 @ 0.0122	12-Mar-2019	\$ (137)
Bought CAD 133 Sold USD 100 @ 1.3348	14-Mar-2019	(3)
Bought CAD 5 964 Sold DKK 29 058 @ 0.2052	15-Mar-2019	(153)
Bought CAD 779 Sold GBP 460 @ 1.6941	18-Mar-2019	(23)
Bought CAD 140 Sold GBP 81 @ 1.7285	18-Mar-2019	(1)
Bought CAD 4 591 Sold AUD 4 791 @ 0.9583	21-Mar-2019	(12)
Bought CAD 194 Sold USD 144 @ 1.3441	25-Mar-2019	(3)
		\$ (12 389)
		\$ 1 027

TOTAL FOREIGN EXCHANGE

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.72% and mature on April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 926 954	\$ 1 119 598
Cash	1 252	607
Due from investment dealers	6 385	–
Subscriptions receivable	1 160	1 937
Unrealized gain on foreign exchange contracts	13 416	1 897
Dividends receivable, interest accrued and other assets	676	1 054
TOTAL ASSETS	949 843	1 125 093
LIABILITIES		
Due to investment dealers	62	106
Redemptions payable	886	635
Unrealized loss on foreign exchange contracts	12 389	3 627
Distributions payable	3	1
Accounts payable and accrued expenses	336	388
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	13 676	4 757
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 936 167	\$ 1 120 336
Investments at cost	\$ 946 395	\$ 989 866
NAV		
SERIES A	\$ 112 180	\$ 139 463
ADVISOR SERIES	\$ 3 814	\$ 4 664
SERIES T5	\$ 392	\$ 113
SERIES D	\$ 61 232	\$ 71 534
SERIES F	\$ 51 645	\$ 41 074
SERIES FT5	\$ 297	\$ 114
SERIES O	\$ 706 607	\$ 863 374
NAV PER UNIT		
SERIES A	\$ 18.74	\$ 21.57
ADVISOR SERIES	\$ 18.61	\$ 21.41
SERIES T5	\$ 17.27	\$ 20.77
SERIES D	\$ 19.30	\$ 22.22
SERIES F	\$ 20.94	\$ 24.10
SERIES FT5	\$ 19.71	\$ 23.42
SERIES O	\$ 19.93	\$ 22.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 32 308	\$ 23 199
Interest for distribution purposes	194	143
Derivative income	7 138	(7 886)
Net realized gain (loss) on investments	(15 590)	14 176
Change in unrealized gain (loss) on investments	(146 416)	154 828
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(122 366)	184 460
Other income (loss)	189	–
Securities lending revenue (see note 7 in the generic notes)	636	420
Net gain (loss) on foreign cash balances	161	109
TOTAL OTHER INCOME (LOSS)	986	529
TOTAL INCOME (LOSS)	(121 380)	184 989
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 520	3 287
Administration fees	641	568
Independent Review Committee costs	2	3
GST/HST	407	379
Transaction costs	1 845	1 747
Withholding tax	3 556	2 882
TOTAL EXPENSES	9 971	8 866
INCREASE (DECREASE) IN NAV	\$ (131 351)	\$ 176 123
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (16 241)	\$ 22 316
ADVISOR SERIES	\$ (561)	\$ 681
SERIES T5	\$ (53)	\$ 5
SERIES D	\$ (8 316)	\$ 11 256
SERIES F	\$ (6 981)	\$ 4 878
SERIES FT5	\$ (51)	\$ 7
SERIES O	\$ (99 148)	\$ 136 980
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.60)	\$ 3.36
ADVISOR SERIES	\$ (2.54)	\$ 3.20
SERIES T5	\$ (2.88)	\$ 1.88
SERIES D	\$ (2.56)	\$ 3.62
SERIES F	\$ (3.01)	\$ 3.80
SERIES FT5	\$ (3.14)	\$ 3.97
SERIES O	\$ (2.48)	\$ 3.99

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (131 351)	\$ 176 123
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	17 736	(12 963)
Change in unrealized loss (gain) on investments	146 416	(154 828)
(Increase) decrease in accrued receivables	378	(91)
Increase (decrease) in accrued payables	(52)	66
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 030 842)	(878 497)
Proceeds from sale and maturity of investments	1 050 148	713 071
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	52 433	(157 119)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	286 334	313 832
Cash paid on redemption of redeemable units	(323 741)	(146 253)
Distributions paid to holders of redeemable units	(14 381)	(10 089)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (51 788)	\$ 157 490
Net increase (decrease) in cash for the period	645	371
Cash (bank overdraft), beginning of period	607	236
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 252	\$ 607
Interest received (paid)	\$ 193	\$ 142
Dividends received, net of withholding taxes	\$ 29 321	\$ 20 228

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 139 463	\$ 126 418	\$ 4 664	\$ 3 948	\$ 113	\$ —	\$ 71 534	\$ 56 801
INCREASE (DECREASE) IN NAV	(16 241)	22 316	(561)	681	(53)	5	(8 316)	11 256
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	18 169	18 435	935	1 479	349	109	9 363	11 015
Reinvestments of distributions to holders of redeemable units	911	—	27	—	7	2	938	377
Redemption of redeemable units	(29 189)	(27 706)	(1 219)	(1 444)	(3)	—	(11 236)	(7 499)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(10 109)	(9 271)	(257)	35	353	111	(935)	3 893
Distributions from net income	(933)	—	(32)	—	(2)	—	(1 051)	(416)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	(19)	(3)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(933)	—	(32)	—	(21)	(3)	(1 051)	(416)
NET INCREASE (DECREASE) IN NAV	(27 283)	13 045	(850)	716	279	113	(10 302)	14 733
NAV AT END OF PERIOD	\$ 112 180	\$ 139 463	\$ 3 814	\$ 4 664	\$ 392	\$ 113	\$ 61 232	\$ 71 534

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 41 074	\$ 20 944	\$ 114	\$ —	\$ 863 374	\$ 578 709	\$ 1 120 336	\$ 786 820
INCREASE (DECREASE) IN NAV	(6 981)	4 878	(51)	7	(99 148)	136 980	(131 351)	176 123
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	30 728	20 847	368	108	238 882	273 022	298 794	325 015
Reinvestments of distributions to holders of redeemable units	586	189	—	—	8 137	5 758	10 606	6 326
Redemption of redeemable units	(12 719)	(5 431)	(114)	—	(282 749)	(115 452)	(337 229)	(157 532)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	18 595	15 605	254	108	(35 730)	163 328	(27 829)	173 809
Distributions from net income	(1 043)	(353)	(6)	—	(21 889)	(15 643)	(24 956)	(16 412)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	(14)	(1)	—	—	(33)	(4)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 043)	(353)	(20)	(1)	(21 889)	(15 643)	(24 989)	(16 416)
NET INCREASE (DECREASE) IN NAV	10 571	20 130	183	114	(156 767)	284 665	(184 169)	333 516
NAV AT END OF PERIOD	\$ 51 645	\$ 41 074	\$ 297	\$ 114	\$ 706 607	\$ 863 374	\$ 936 167	\$ 1 120 336

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Series T5 and Series FT5 units were started February 15, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	29.2	24.7
Japan	19.7	17.2
Australia	8.1	6.4
Switzerland	7.6	4.8
Netherlands	5.7	6.9
Germany	5.5	9.1
Denmark	5.2	5.3
Sweden	3.2	3.8
France	3.1	2.8
Ireland	2.3	4.8
Taiwan	1.9	2.5
Finland	1.1	2.3
Other Countries	6.2	8.8
Cash/Other	1.2	0.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	27.8	29.0
Japanese yen	24.5	23.9
Pound sterling	17.1	17.7
Swiss franc	8.7	8.0
Australian dollar	7.0	7.0
United States dollar	4.2	3.8
Hong Kong dollar	3.6	3.4
Swedish krona	2.9	2.7
Danish krone	1.7	2.0

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Singapore dollar	1.4	1.2
Norwegian krone	0.8	0.6
Other currencies	0.3	0.4
Total	100.0	99.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	8 093	916 624	–	924 717
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 237	–	2 237
Derivatives – assets	–	13 416	–	13 416
Derivatives – liabilities	–	(12 389)	–	(12 389)
Total financial instruments	8 093	919 888	–	927 981
% of total portfolio	0.9	99.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	17 291	1 096 868	–	1 114 159
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	5 439	–	5 439
Derivatives – assets	–	1 897	–	1 897
Derivatives – liabilities	–	(3 627)	–	(3 627)
Total financial instruments	17 291	1 100 577	–	1 117 868
% of total portfolio	1.5	98.5	–	100.0



December 31, 2018

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	59	56
Series FT5	52	50
Value of all units	2	2

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	12 347
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	6 465	6 942
Issued number of units	850	909
Reinvested number of units	49	–
Redeemed number of units	(1 377)	(1 386)
Ending number of units	5 987	6 465
Advisor Series		
Opening units	218	218
Issued number of units	44	74
Reinvested number of units	1	–
Redeemed number of units	(58)	(74)
Ending number of units	205	218
Series T5		
Opening units	5	–
Issued number of units	18	5
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	23	5
Series D		
Opening units	3 220	3 037
Issued number of units	426	529
Reinvested number of units	49	17
Redeemed number of units	(522)	(363)
Ending number of units	3 173	3 220
Series F		
Opening units	1 704	1 032
Issued number of units	1 285	909
Reinvested number of units	28	8
Redeemed number of units	(551)	(245)
Ending number of units	2 466	1 704
Series FT5		
Opening units	5	–
Issued number of units	15	5
Reinvested number of units	–	–
Redeemed number of units	(5)	–
Ending number of units	15	5
Series O		
Opening units	37 608	29 950
Issued number of units	10 547	12 756
Reinvested number of units	415	249
Redeemed number of units	(13 111)	(5 347)
Ending number of units	35 459	37 608



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 845	100	1 747	100
Related-party brokerage commissions*	38	2	74	4
Commission arrangements†	493	27	617	35

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	61 718		108 275	
Fair value of collateral received	62 953		110 440	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	850	100	575	100
RBC IS (paid)	(211)	(25)	(153)	(27)
Tax withheld	(3)	—	(2)	—
Fund revenue	636	75	420	73

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC International Equity Class	0.6	0.5
RBC International Equity Currency Neutral Fund	4.7	5.5
RBC Total Return Growth Fund	—	—
Total	5.3	6.0

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	13 416	(12 389)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	13 416	(12 389)
Related amounts not set-off	(9 083)	9 083
Collateral (received) pledged	(368)	2 059
Net amount	3 965	(1 247)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1 897	(3 627)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1 897	(3 627)
Related amounts not set-off	(1 564)	1 564
Collateral (received) pledged	—	—
Net amount	333	(2 063)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC INTERNATIONAL EQUITY CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
2 214 453	RBC International Equity Fund*	\$ 44 478	\$ 44 129	
TOTAL UNDERLYING FUNDS		44 478	44 129	104.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	165	0.4
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(2 035)	(4.8)
TOTAL PORTFOLIO		<u>\$ 44 478</u>	<u>42 259</u>	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			128	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$</u>	<u>42 387</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 8 000 Sold CAD 96 @ 83.3047	08-Jan-2019	\$ 4
Bought JPY 13 000 Sold CAD 158 @ 82.3800	08-Jan-2019	4
Bought USD 50 Sold CAD 66 @ 0.7629	10-Jan-2019	3
Bought SEK 400 Sold CAD 59 @ 6.7648	11-Jan-2019	3
Bought SEK 700 Sold CAD 105 @ 6.6798	11-Jan-2019	3
Bought AUD 85 Sold CAD 82 @ 1.0358	15-Jan-2019	—
Bought CAD 23 Sold AUD 24 @ 0.9427	15-Jan-2019	—
Bought CAD 49 Sold AUD 50 @ 0.9713	15-Jan-2019	—
Bought EUR 30 Sold CAD 46 @ 0.6573	16-Jan-2019	1
Bought EUR 185 Sold CAD 282 @ 0.6567	18-Jan-2019	8
Bought EUR 200 Sold CAD 304 @ 0.6570	18-Jan-2019	9
Bought EUR 200 Sold CAD 305 @ 0.6553	18-Jan-2019	8
Bought CAD 17 Sold GBP 10 @ 1.7008	22-Jan-2019	—
Bought JPY 12 000 Sold CAD 142 @ 84.4800	22-Jan-2019	8
Bought JPY 20 000 Sold CAD 237 @ 84.2330	22-Jan-2019	12
Bought JPY 19 000 Sold CAD 227 @ 83.7630	22-Jan-2019	10
Bought JPY 10 000 Sold CAD 120 @ 83.3580	22-Jan-2019	5
Bought CHF 30 Sold CAD 41 @ 0.7298	23-Jan-2019	1
Bought JPY 17 000 Sold CAD 208 @ 81.7800	23-Jan-2019	4
Bought JPY 62 500 Sold CAD 772 @ 80.9240	23-Jan-2019	7
Bought EUR 155 Sold CAD 240 @ 0.6460	24-Jan-2019	3
Bought EUR 430 Sold CAD 670 @ 0.6423	24-Jan-2019	4
Bought GBP 125 Sold CAD 212 @ 0.5899	28-Jan-2019	6
Bought EUR 300 Sold CAD 451 @ 0.6653	31-Jan-2019	19
Bought EUR 220 Sold CAD 336 @ 0.6546	31-Jan-2019	9
Bought EUR 185 Sold CAD 284 @ 0.6517	31-Jan-2019	6

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought GBP 250 Sold CAD 433 @ 0.5772	31-Jan-2019	\$ 2
Bought JPY 5 000 Sold CAD 59 @ 84.2730	12-Feb-2019	3
Bought CHF 150 Sold CAD 204 @ 0.7341	13-Feb-2019	5
Bought NOK 300 Sold CAD 47 @ 6.3893	15-Feb-2019	—
Bought AUD 220 Sold CAD 211 @ 1.0425	20-Feb-2019	—
Bought CAD 1 000 Sold AUD 1 038 @ 0.9634	20-Feb-2019	2
Bought CHF 40 Sold CAD 55 @ 0.7281	26-Feb-2019	1
Bought HKD 600 Sold CAD 104 @ 5.7523	26-Feb-2019	—
Bought DKK 450 Sold CAD 92 @ 4.8885	05-Mar-2019	3
Bought HKD 300 Sold CAD 51 @ 5.8366	07-Mar-2019	1
Bought EUR 80 Sold CAD 122 @ 0.6548	08-Mar-2019	3
Bought CAD 445 Sold AUD 458 @ 0.9709	11-Mar-2019	4
Bought GBP 80 Sold CAD 136 @ 0.5862	12-Mar-2019	3
Bought CAD 66 Sold NZD 73 @ 0.9095	13-Mar-2019	—
Bought CHF 120 Sold CAD 166 @ 0.7210	13-Mar-2019	1
Bought CAD 115 Sold AUD 120 @ 0.9617	14-Mar-2019	—
Bought CAD 310 Sold AUD 322 @ 0.9623	15-Mar-2019	—
Bought CAD 120 Sold AUD 125 @ 0.9601	15-Mar-2019	—
Bought AUD 70 Sold CAD 67 @ 1.0424	21-Mar-2019	—
		<u>\$ 165</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 821 Sold JPY 71 200 @ 0.0115	08-Jan-2019	\$ (65)
Bought CAD 199 Sold JPY 17 000 @ 0.0117	08-Jan-2019	(13)
Bought CAD 499 Sold JPY 43 000 @ 0.0116	10-Jan-2019	(37)
Bought CAD 261 Sold USD 200 @ 1.3035	10-Jan-2019	(12)
Bought CAD 813 Sold AUD 863 @ 0.9424	10-Jan-2019	(17)
Bought CAD 216 Sold SEK 1 455 @ 0.1482	11-Jan-2019	(9)
Bought CAD 70 Sold HKD 430 @ 0.1634	14-Jan-2019	(5)
Bought CAD 499 Sold EUR 335 @ 1.4907	16-Jan-2019	(25)
Bought CAD 65 Sold DKK 320 @ 0.2037	16-Jan-2019	(2)
Bought CAD 109 Sold GBP 65 @ 1.6702	17-Jan-2019	(5)
Bought CAD 91 Sold SGD 97 @ 0.9402	17-Jan-2019	(6)
Bought CAD 2 892 Sold EUR 1 916 @ 1.5094	17-Jan-2019	(108)
Bought CAD 75 Sold ILS 208 @ 0.3594	17-Jan-2019	(1)
Bought CAD 2 036 Sold EUR 1 357 @ 1.5005	18-Jan-2019	(89)
Bought CAD 1 170 Sold CHF 889 @ 1.3157	18-Jan-2019	(66)
Bought CAD 131 Sold CHF 100 @ 1.3126	18-Jan-2019	(8)
Bought CAD 151 Sold EUR 100 @ 1.5077	18-Jan-2019	(6)
Bought CAD 834 Sold JPY 72 300 @ 0.0115	22-Jan-2019	(67)
Bought CAD 2 231 Sold JPY 193 438 @ 0.0115	22-Jan-2019	(180)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 63 Sold ILS 176 @ 0.3593	22-Jan-2019	\$ (1)
Bought CAD 384 Sold HKD 2 294 @ 0.1676	22-Jan-2019	(15)
Bought CAD 117 Sold JPY 10 000 @ 0.0117	22-Jan-2019	(8)
Bought CAD 35 Sold JPY 3 000 @ 0.0118	22-Jan-2019	(2)
Bought CAD 372 Sold JPY 30 000 @ 0.0124	22-Jan-2019	(2)
Bought CAD 2 058 Sold JPY 175 200 @ 0.0117	23-Jan-2019	(126)
Bought CAD 137 Sold SEK 940 @ 0.1459	23-Jan-2019	(8)
Bought CAD 55 Sold DKK 272 @ 0.2029	23-Jan-2019	(2)
Bought CAD 234 Sold JPY 20 000 @ 0.0117	23-Jan-2019	(16)
Bought CAD 67 Sold CHF 50 @ 1.3477	23-Jan-2019	(2)
Bought CAD 2 183 Sold EUR 1 448 @ 1.5078	24-Jan-2019	(85)
Bought CAD 105 Sold EUR 70 @ 1.4987	25-Jan-2019	(5)
Bought CAD 1 355 Sold EUR 906 @ 1.4958	25-Jan-2019	(64)
Bought CAD 154 Sold CHF 117 @ 1.3136	25-Jan-2019	(9)
Bought CAD 892 Sold JPY 76 744 @ 0.0116	25-Jan-2019	(65)
Bought CAD 1 397 Sold GBP 815 @ 1.7143	28-Jan-2019	(22)
Bought CAD 362 Sold SEK 2 450 @ 0.1478	29-Jan-2019	(16)
Bought CAD 603 Sold GBP 352 @ 1.7124	31-Jan-2019	(10)
Bought CAD 1 634 Sold EUR 1 077 @ 1.5174	31-Jan-2019	(53)
Bought CAD 75 Sold EUR 50 @ 1.5095	31-Jan-2019	(3)
Bought CAD 113 Sold EUR 75 @ 1.5096	31-Jan-2019	(4)
Bought CAD 323 Sold HKD 1 913 @ 0.1688	04-Feb-2019	(11)
Bought CAD 98 Sold HKD 574 @ 0.1707	04-Feb-2019	(2)
Bought CAD 2 138 Sold EUR 1 423 @ 1.5022	06-Feb-2019	(93)
Bought CAD 665 Sold GBP 385 @ 1.7269	06-Feb-2019	(6)
Bought CAD 54 Sold GBP 32 @ 1.6834	07-Feb-2019	(2)
Bought CAD 170 Sold GBP 100 @ 1.7039	07-Feb-2019	(4)
Bought CAD 85 Sold GBP 50 @ 1.7018	07-Feb-2019	(2)
Bought CAD 106 Sold JPY 9 079 @ 0.0117	08-Feb-2019	(7)
Bought CAD 475 Sold JPY 40 760 @ 0.0117	12-Feb-2019	(33)
Bought CAD 271 Sold JPY 23 000 @ 0.0118	12-Feb-2019	(17)
Bought CAD 348 Sold CHF 258 @ 1.3497	13-Feb-2019	(11)
Bought CAD 631 Sold EUR 420 @ 1.5018	14-Feb-2019	(28)
Bought CAD 455 Sold HKD 2 699 @ 0.1685	14-Feb-2019	(16)
Bought CAD 164 Sold SGD 171 @ 0.9609	14-Feb-2019	(7)
Bought CAD 151 Sold EUR 100 @ 1.5126	14-Feb-2019	(6)
Bought CAD 265 Sold DKK 1 316 @ 0.2016	15-Feb-2019	(11)
Bought CAD 225 Sold SEK 1 530 @ 0.1470	15-Feb-2019	(11)
Bought CAD 104 Sold NOK 669 @ 0.1549	15-Feb-2019	(2)
Bought CAD 235 Sold JPY 20 000 @ 0.0117	20-Feb-2019	(15)
Bought CAD 559 Sold EUR 369 @ 1.5142	20-Feb-2019	(20)
Bought CAD 302 Sold EUR 200 @ 1.5104	20-Feb-2019	(12)
Bought CAD 320 Sold EUR 210 @ 1.5236	20-Feb-2019	(10)
Bought CAD 139 Sold DKK 686 @ 0.2020	22-Feb-2019	(6)
Bought CAD 306 Sold NOK 1 959 @ 0.1564	22-Feb-2019	(3)
Bought CAD 288 Sold SEK 1 972 @ 0.1463	25-Feb-2019	(16)
Bought CAD 59 Sold SEK 400 @ 0.1478	25-Feb-2019	(3)
Bought CAD 1 314 Sold CHF 980 @ 1.3408	26-Feb-2019	(52)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 102 Sold HKD 600 @ 0.1701	26-Feb-2019	\$ (3)
Bought CAD 161 Sold JPY 13 500 @ 0.0119	28-Feb-2019	(8)
Bought CAD 41 Sold GBP 24 @ 1.6948	01-Mar-2019	(1)
Bought CAD 119 Sold GBP 70 @ 1.6977	01-Mar-2019	(3)
Bought CAD 169 Sold GBP 100 @ 1.6940	01-Mar-2019	(5)
Bought CAD 193 Sold USD 146 @ 1.3242	05-Mar-2019	(6)
Bought CAD 357 Sold SGD 369 @ 0.9659	05-Mar-2019	(13)
Bought CAD 1 434 Sold GBP 834 @ 1.7190	06-Mar-2019	(20)
Bought CAD 516 Sold AUD 538 @ 0.9595	06-Mar-2019	(1)
Bought CAD 475 Sold EUR 315 @ 1.5074	07-Mar-2019	(20)
Bought CAD 216 Sold HKD 1 264 @ 0.1710	07-Mar-2019	(4)
Bought CAD 856 Sold CHF 641 @ 1.3354	08-Mar-2019	(38)
Bought CAD 1 130 Sold JPY 95 700 @ 0.0118	11-Mar-2019	(66)
Bought CAD 2 029 Sold GBP 1 200 @ 1.6908	12-Mar-2019	(63)
Bought CAD 1 483 Sold JPY 124 436 @ 0.0119	12-Mar-2019	(73)
Bought CAD 138 Sold EUR 90 @ 1.5301	14-Mar-2019	(4)
Bought CAD 373 Sold DKK 1 817 @ 0.2052	15-Mar-2019	(10)
Bought CAD 1 243 Sold GBP 738 @ 1.6846	19-Mar-2019	(43)
Bought CAD 291 Sold EUR 191 @ 1.5260	21-Mar-2019	(9)
		\$ (2 035)
		\$ (1 870)

TOTAL FOREIGN EXCHANGE

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 44 129	\$ 61 376
Cash	273	129
Subscriptions receivable	95	80
Unrealized gain on foreign exchange contracts	165	345
TOTAL ASSETS	44 662	61 930
LIABILITIES		
Due to investment dealers	200	—
Redemptions payable	24	123
Unrealized loss on foreign exchange contracts	2 035	321
Accounts payable and accrued expenses	16	18
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 275	462
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 42 387	\$ 61 468
Investments at cost	\$ 44 478	\$ 52 662
NAV		
SERIES A	\$ 4 968	\$ 6 170
ADVISOR SERIES	\$ 658	\$ 102
SERIES D	\$ 2 030	\$ 2 766
SERIES F	\$ 3 743	\$ 3 647
SERIES O	\$ 30 988	\$ 48 783
NAV PER UNIT		
SERIES A	\$ 10.70	\$ 13.25
ADVISOR SERIES	\$ 10.70	\$ 13.26
SERIES D	\$ 10.82	\$ 13.42
SERIES F	\$ 10.79	\$ 13.38
SERIES O	\$ 10.83	\$ 13.43

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ (1)
Income from investment trusts	1 367	1 125
Derivative income	(229)	682
Net realized gain (loss) on investments	2 359	1 335
Change in unrealized gain (loss) on investments	(10 957)	6 939
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 461)	10 080
TOTAL INCOME (LOSS)	(7 461)	10 080
EXPENSES (see notes – Fund Specific Information)		
Management fees	170	121
Administration fees	27	25
Independent Review Committee costs	2	3
GST/HST	21	14
TOTAL EXPENSES	220	163
INCREASE (DECREASE) IN NAV	\$ (7 681)	\$ 9 917
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (965)	\$ 729
ADVISOR SERIES	\$ (127)	\$ 11
SERIES D	\$ (404)	\$ 370
SERIES F	\$ (675)	\$ 313
SERIES O	\$ (5 510)	\$ 8 494
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.08)	\$ 1.97
ADVISOR SERIES	\$ (3.43)	\$ 1.90
SERIES D	\$ (2.00)	\$ 2.09
SERIES F	\$ (2.03)	\$ 1.81
SERIES O	\$ (1.70)	\$ 2.28



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (7 681)	\$ 9 917
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 367)	(1 125)
Net realized loss (gain) on investments	(2 359)	(1 335)
Change in unrealized loss (gain) on investments	10 957	(6 939)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(2)	10
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(7 990)	(19 050)
Proceeds from sale and maturity of investments	20 100	12 620
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	11 658	(5 902)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	11 748	21 934
Cash paid on redemption of redeemable units	(21 536)	(15 150)
Distributions paid to holders of redeemable units	(1 726)	(781)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (11 514)	\$ 6 003
Net increase (decrease) in cash for the period	144	101
Cash (bank overdraft), beginning of period	129	28
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 273	\$ 129
Interest received (paid)	\$ (1)	\$ (1)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 170	\$ 3 668	\$ 102	\$ 7	\$ 2 766	\$ 1 656	\$ 3 647	\$ 581
INCREASE (DECREASE) IN NAV	(965)	729	(127)	11	(404)	370	(675)	313
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	2 080	3 850	774	85	674	1 320	2 331	3 447
Reinvestments of distributions to holders of redeemable units	190	—	26	—	87	16	126	23
Redemption of redeemable units	(2 315)	(2 077)	(91)	(1)	(995)	(579)	(1 498)	(684)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(45)	1 773	709	84	(234)	757	959	2 786
Distributions from net income	(44)	—	(6)	—	(36)	(17)	(74)	(33)
Distributions from net gains	(148)	—	(20)	—	(62)	—	(114)	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(192)	—	(26)	—	(98)	(17)	(188)	(33)
NET INCREASE (DECREASE) IN NAV	(1 202)	2 502	556	95	(736)	1 110	96	3 066
NAV AT END OF PERIOD	\$ 4 968	\$ 6 170	\$ 658	\$ 102	\$ 2 030	\$ 2 766	\$ 3 743	\$ 3 647

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 48 783	\$ 39 669	\$ 61 468	\$ 45 581
INCREASE (DECREASE) IN NAV	(5 510)	8 494	(7 681)	9 917
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	6 816	14 419	12 675	23 121
Reinvestments of distributions to holders of redeemable units	300	137	729	176
Redemption of redeemable units	(17 450)	(13 029)	(22 349)	(16 370)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(10 334)	1 527	(8 945)	6 927
Distributions from net income	(981)	(907)	(1 141)	(957)
Distributions from net gains	(970)	—	(1 314)	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 951)	(907)	(2 455)	(957)
NET INCREASE (DECREASE) IN NAV	(17 795)	9 114	(19 081)	15 887
NAV AT END OF PERIOD	\$ 30 988	\$ 48 783	\$ 42 387	\$ 61 468

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC International Equity Fund. The Fund’s exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund’s direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	29.2	24.7
Japan	19.7	17.2
Australia	8.1	6.4
Switzerland	7.6	4.8
Netherlands	5.7	6.9
Germany	5.5	9.1
Denmark	5.2	5.3
Sweden	3.2	3.8
France	3.1	2.8
Ireland	2.3	4.8
Taiwan	1.9	2.5
Finland	1.1	2.3
Other Countries	6.2	8.8
Cash/Other	1.2	0.6
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund’s NAV, using a 36-month historical correlation of data of the Fund’s return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (hedged to CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	44 129	—	—	44 129
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	165	—	165
Derivatives – liabilities	—	(2 035)	—	(2 035)
Total financial instruments	44 129	(1 870)	—	42 259
% of total portfolio	104.4	(4.4)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	61 376	—	—	61 376
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	345	—	345
Derivatives – liabilities	—	(321)	—	(321)
Total financial instruments	61 376	24	—	61 400
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	107	103
Series F	112	107
Value of all units	2	3

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC International Equity Fund	104.1	4.7	99.8	5.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	466	326
Issued number of units	161	309
Reinvested number of units	18	—
Redeemed number of units	(181)	(169)
Ending number of units	464	466

Advisor Series

Opening units	8	1
Issued number of units	58	7
Reinvested number of units	2	—
Redeemed number of units	(7)	—
Ending number of units	61	8

Series D

Opening units	206	145
Issued number of units	51	106
Reinvested number of units	8	1
Redeemed number of units	(77)	(46)
Ending number of units	188	206

Series F

Opening units	273	51
Issued number of units	179	274
Reinvested number of units	12	2
Redeemed number of units	(117)	(54)
Ending number of units	347	273

Series O

Opening units	3 632	3 482
Issued number of units	529	1 190
Reinvested number of units	28	10
Redeemed number of units	(1 327)	(1 050)
Ending number of units	2 862	3 632



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	165	(2 035)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	165	(2 035)
Related amounts not set-off	(165)	165
Collateral (received) pledged	–	–
Net amount	–	(1 870)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	345	(321)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	345	(321)
Related amounts not set-off	(187)	187
Collateral (received) pledged	–	–
Net amount	158	(134)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC INTERNATIONAL INDEX CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
19 704 415	RBC International Equity Index ETF*	\$ 412 445	\$ 386 118	
TOTAL UNDERLYING FUNDS		412 445	386 118	103.3
SHORT-TERM INVESTMENTS†		276	276	0.1
TOTAL INVESTMENTS		412 721	386 394	103.4
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	499	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(17 280)	(4.6)
TOTAL PORTFOLIO		<u>\$ 412 721</u>	369 613	98.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			3 985	1.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 373 598</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 200 000 Sold CAD 2 403 @ 83.2400	08-Jan-2019	\$ 89
Bought KRW 1 000 000 Sold CAD 1 152 @ 867.7000	16-Jan-2019	72
Bought JPY 250 000 Sold CAD 3 057 @ 81.7800	23-Jan-2019	60
Bought JPY 75 000 Sold CAD 927 @ 80.9240	23-Jan-2019	8
Bought EUR 1 700 Sold CAD 2 631 @ 0.6460	24-Jan-2019	31
Bought CAD 2 374 Sold NOK 14 874 @ 0.1596	29-Jan-2019	24
Bought EUR 760 Sold CAD 1 190 @ 0.6389	31-Jan-2019	1
Bought JPY 200 000 Sold CAD 2 373 @ 84.2730	12-Feb-2019	124
Bought CHF 765 Sold CAD 1 065 @ 0.7186	14-Feb-2019	1
Bought CAD 2 120 Sold AUD 2 200 @ 0.9634	20-Feb-2019	5
Bought CHF 675 Sold CAD 917 @ 0.7359	08-Mar-2019	25
Bought GBP 650 Sold CAD 1 129 @ 0.5757	12-Mar-2019	4
Bought CAD 24 386 Sold AUD 25 357 @ 0.9617	14-Mar-2019	14
Bought GBP 675 Sold CAD 1 136 @ 0.5941	19-Mar-2019	41
		<u>\$ 499</u>

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 30 206 Sold JPY 2 618 217 @ 0.0115	08-Jan-2019	\$ (2 408)
Bought CAD 4 554 Sold SGD 4 794 @ 0.9499	08-Jan-2019	(248)
Bought CAD 965 Sold NZD 1 126 @ 0.8567	09-Jan-2019	(67)
Bought CAD 899 Sold HKD 5 500 @ 0.1634	14-Jan-2019	(60)
Bought AUD 1 000 Sold CAD 965 @ 1.0358	15-Jan-2019	(4)
Bought CAD 943 Sold AUD 1 000 @ 0.9427	15-Jan-2019	(19)
Bought CAD 18 888 Sold KRW 16 500 000 @ 0.0011	16-Jan-2019	(1 317)
Bought CAD 1 200 Sold EUR 800 @ 1.5005	18-Jan-2019	(52)
Bought CAD 1 046 Sold EUR 700 @ 1.4938	18-Jan-2019	(50)
Bought CAD 2 192 Sold JPY 190 000 @ 0.0115	22-Jan-2019	(177)
Bought CAD 1 161 Sold JPY 100 000 @ 0.0116	22-Jan-2019	(86)
Bought CAD 1 749 Sold JPY 150 000 @ 0.0117	22-Jan-2019	(121)
Bought CAD 5 624 Sold EUR 3 730 @ 1.5078	24-Jan-2019	(218)
Bought CAD 6 448 Sold DKK 32 030 @ 0.2013	24-Jan-2019	(273)
Bought CAD 9 504 Sold JPY 809 108 @ 0.0117	28-Jan-2019	(588)
Bought CAD 10 963 Sold SEK 74 994 @ 0.1462	29-Jan-2019	(608)
Bought CAD 32 208 Sold EUR 21 360 @ 1.5079	30-Jan-2019	(1 262)
Bought CAD 20 292 Sold GBP 11 852 @ 1.7121	30-Jan-2019	(347)
Bought CAD 2 629 Sold GBP 1 535 @ 1.7124	31-Jan-2019	(44)
Bought CAD 1 505 Sold EUR 1 000 @ 1.5047	31-Jan-2019	(62)
Bought CAD 12 707 Sold HKD 76 087 @ 0.1670	04-Feb-2019	(560)
Bought CAD 31 126 Sold CHF 23 737 @ 1.3113	04-Feb-2019	(1 921)
Bought CAD 12 326 Sold JPY 1 051 109 @ 0.0117	06-Feb-2019	(791)
Bought CAD 34 624 Sold EUR 22 866 @ 1.5142	20-Feb-2019	(1 249)
Bought CAD 1 295 Sold EUR 850 @ 1.5236	20-Feb-2019	(38)
Bought CAD 31 858 Sold JPY 2 703 217 @ 0.0118	22-Feb-2019	(1 905)
Bought CAD 8 587 Sold JPY 722 000 @ 0.0119	28-Feb-2019	(434)
Bought CAD 23 307 Sold GBP 13 752 @ 1.6948	01-Mar-2019	(657)
Bought CAD 1 031 Sold GBP 600 @ 1.7190	06-Mar-2019	(14)
Bought CAD 1 776 Sold USD 1 348 @ 1.3177	08-Mar-2019	(62)
Bought CAD 18 281 Sold GBP 10 852 @ 1.6846	19-Mar-2019	(639)
Bought CAD 33 292 Sold EUR 21 816 @ 1.5260	21-Mar-2019	(999)
		<u>\$ (17 280)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (16 781)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 386 394	\$ 413 121
Cash	161	160
Subscriptions receivable	349	195
Unrealized gain on foreign exchange contracts	499	2 315
Dividends receivable, interest accrued and other assets	3 783	1 356
TOTAL ASSETS	391 186	417 147
LIABILITIES		
Redemptions payable	188	139
Unrealized loss on foreign exchange contracts	17 280	2 893
Accounts payable and accrued expenses	120	133
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	17 588	3 165
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 373 598	\$ 413 982
Investments at cost	\$ 412 721	\$ 400 229
NAV		
SERIES A	\$ 349 235	\$ 403 160
SERIES F	\$ 24 363	\$ 10 822
NAV PER UNIT		
SERIES A	\$ 9.72	\$ 11.26
SERIES F	\$ 9.91	\$ 11.47

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 15	\$ 2 132
Income from investment trusts	10 421	1 356
Derivative income	360	39 761
Net realized gain (loss) on investments	710	162
Change in unrealized gain (loss) on investments	(55 422)	12 311
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(43 916)	55 722
Other income (loss)	—	(285)
Securities lending revenue		
(see note 7 in the generic notes)	—	28
Net gain (loss) on foreign cash balances	—	(14)
TOTAL OTHER INCOME (LOSS)	—	(271)
TOTAL INCOME (LOSS)	(43 916)	55 451
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 182	1 719
Administration fees	209	356
Independent Review Committee costs	2	3
GST/HST	149	222
Transaction costs	69	121
TOTAL EXPENSES	1 611	2 421
INCREASE (DECREASE) IN NAV	\$ (45 527)	\$ 53 030
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (42 734)	\$ 52 149
SERIES F	\$ (2 793)	\$ 881
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.20)	\$ 1.64
SERIES F	\$ (1.58)	\$ 1.65



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (45 527)	\$ 53 030
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(679)	(156)
Change in unrealized loss (gain) on investments	55 422	(12 311)
(Increase) decrease in accrued receivables	(2 427)	7 175
Increase (decrease) in accrued payables	(13)	(192)
(Increase) decrease in margin accounts	—	10 456
Cost of investments purchased	(313 058)	(2 357 217)
Proceeds from sale and maturity of investments	301 245	2 284 372
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(5 037)	(14 843)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	63 012	62 854
Cash paid on redemption of redeemable units	(57 704)	(47 485)
Distributions paid to holders of redeemable units	(270)	(947)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 5 038	\$ 14 422
Net increase (decrease) in cash for the period	1	(421)
Cash (bank overdraft), beginning of period	160	581
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 161	\$ 160
Interest received (paid)	\$ 15	\$ 2 461
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Series F		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 403 160	\$ 343 561	\$ 10 822	\$ 2 888	\$ 413 982	\$ 346 449
INCREASE (DECREASE) IN NAV	(42 734)	52 149	(2 793)	881	(45 527)	53 030
Early redemption fees	—	1	—	—	—	1
Proceeds from redeemable units issued	53 032	61 133	20 049	8 666	73 081	69 799
Reinvestments of distributions to holders of redeemable units	10 732	44 726	714	1 010	11 446	45 736
Redemption of redeemable units	(64 067)	(53 000)	(3 601)	(1 350)	(67 668)	(54 350)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(303)	52 860	17 162	8 326	16 859	61 186
Distributions from net income	(10 888)	(45 410)	(828)	(1 273)	(11 716)	(46 683)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 888)	(45 410)	(828)	(1 273)	(11 716)	(46 683)
NET INCREASE (DECREASE) IN NAV	(53 925)	59 599	13 541	7 934	(40 384)	67 533
NAV AT END OF PERIOD	\$ 349 235	\$ 403 160	\$ 24 363	\$ 10 822	\$ 373 598	\$ 413 982

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by tracking the performance of the FTSE Developed ex North America Hedged 100% to CAD Index.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC International Equity Index ETF. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	19.2	20.2
Industrials	14.7	14.2
Consumer Discretionary	11.3	12.2
Consumer Staples	11.1	10.7
Health Care	10.9	9.6
Materials	7.6	8.1
Information Technology	7.3	6.9
Energy	5.6	5.0
Communication Services	5.6	3.6
Utilities	3.6	3.0
Real Estate	3.4	3.3
Underlying Funds	–	3.2
Cash/Other	(0.3)	–
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (hedged to CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	386 118	–	–	386 118
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	276	–	276
Derivatives – assets	–	499	–	499
Derivatives – liabilities	–	(17 280)	–	(17 280)
Total financial instruments	386 118	(16 505)	–	369 613
% of total portfolio	104.5	(4.5)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	412 824	–	–	412 824
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	297	–	297
Derivatives – assets	–	2 315	–	2 315
Derivatives – liabilities	–	(2 893)	–	(2 893)
Total financial instruments	412 824	(281)	–	412 543
% of total portfolio	100.1	(0.1)	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees*	Administration fees†
Series A	0.30%	0.05%
Series F	0.00%	0.05%

* Effective October 11, 2017, the management fees for Series A units were reduced to 0.30% from 0.50%; and for Series F units were reduced 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%.

† Effective June 30, 2017, the administration fees for Series A units were reduced to 0.05% from 0.14%; and for Series F units were reduced to 0.05% from 0.10%.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	118	114
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC International Equity				
Index ETF	103.3	97.1	99.7	98.0

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	930
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	35 812	31 149
Issued number of units	4 787	5 185
Reinvested number of units	1 107	3 956
Redeemed number of units	(5 793)	(4 478)
Ending number of units	35 913	35 812
Series F		
Opening units	944	257
Issued number of units	1 762	710
Reinvested number of units	72	88
Redeemed number of units	(319)	(111)
Ending number of units	2 459	944

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	69	100	121	100
Related-party brokerage commissions*	40	58	5	4
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	—	—
Fair value of collateral received	—	—

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	—	100	39	100
RBC IS (paid)	—	(25)	(11)	(27)
Tax withheld	—	—	—	—
Fund revenue	—	75	28	73

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	499	(17 280)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	499	(17 280)
Related amounts not set-off	(499)	499
Collateral (received) pledged	—	—
Net amount	—	(16 781)

Please see the generic notes at the back of the financial statements.



December 31, 2018

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	2 315	(2 893)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	2 315	(2 893)
Related amounts not set-off	(1 030)	1 030
Collateral (received) pledged	–	–
Net amount	1 285	(1 863)

Subsequent event

RBC GAM has called and will hold a special meeting of the unitholders of the Fund on March 22, 2019. Subject to unitholder approval, the investment objective of the Fund will change to permit the Fund to invest in equity securities, in substantially the same proportion as its benchmark index, either directly or indirectly through investment in other mutual funds. The Fund will continue to use derivatives to hedge against the fluctuations in the value of foreign currencies relative to the Canadian dollar. In addition, the benchmark index will be changed to the MSCI EAFE IMI Total Return Net Index (hedged to CAD). If the change in investment objective is approved, all changes are expected to be effective on or about April 5, 2019.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC O'SHAUGHNESSY INTERNATIONAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Australia				
180 203	AGL Energy Ltd.	\$ 3 932	\$ 3 573	
72 618	Australia & New Zealand Banking Group Ltd.	1 939	1 713	
110 999	Coca-Cola Amatil Ltd.	1 019	874	
551 026	Fortescue Metals Group Ltd.	2 878	2 218	
840 821	Inghams Group Ltd.	3 113	3 340	
645 904	Insurance Australia Group Ltd.	4 750	4 349	
16 794	Macquarie Group Ltd.	1 673	1 757	
1 155 085	Nine Entertainment Co. Holdings Ltd.	2 563	1 534	
488 884	Qantas Airways Ltd.	2 715	2 723	
145 481	Sandfire Resources NL	1 153	935	
968 794	South32 Ltd.	3 493	3 146	
1 059 709	Telstra Corp. Ltd.	5 234	2 903	
825 350	Whitehaven Coal Ltd.	3 845	3 434	
		38 307	32 499	11.0
Belgium				
84 590	Ageas	5 674	5 199	
4 731	Colruyt S.A.	361	461	
12 328	D'ijeteren S.A.	729	635	
		6 764	6 295	2.1
China				
159 000	Road King Infrastructure Ltd.	373	386	
		373	386	0.1
Denmark				
12 855	H. Lundbeck A/S	1 177	771	
8 485	NNIT A/S	315	325	
24 493	Novo Nordisk A/S	1 482	1 533	
11 271	Per Aarsleff Holding A/S	491	472	
22 422	Royal Unibrew A/S	1 670	2 118	
10 404	Vestas Wind Systems A/S	886	1 077	
		6 021	6 296	2.1
Finland				
87 030	DNA Oyj	2 540	2 324	
74 142	Fortum OYJ	1 926	2 207	
81 620	Ramirent OYJ	862	693	
11 752	Sampo OYJ	704	708	
24 230	Valmet OYJ	735	678	
		6 767	6 610	2.2
France				
14 677	BNP Paribas S.A.	1 383	905	
1 208	Dassault Aviation S.A.	3 066	2 287	
56 322	Engie	1 583	1 105	
5 667	Ipsen S.A.	1 180	1 001	
38 060	Neopost S.A.	1 377	1 418	
78 194	Peugeot S.A.	2 688	2 259	
25 693	Rothschild & Co.	1 286	1 240	
10 340	Société BIC S.A.	1 438	1 442	
76 809	Société Générale	4 043	3 325	
		18 044	14 982	5.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Germany				
8 831	Allianz SE	\$ 2 121	\$ 2 431	
16 397	CANCOM SE	1 223	737	
21 680	Covestro AG	2 502	1 467	
123 925	Deutz AG	1 497	1 001	
13 249	Dialog Semiconductor Plc.	385	470	
8 267	Eckert & Ziegler AG	765	798	
5 288	Muenchener Rueckversicherungs-Gesellschaft AG	1 523	1 573	
95 045	PNE AG	361	361	
16 001	ProSiebenSat.1 Media SE	551	389	
14 042	Salzgitter AG	1 041	561	
181 413	TUI AG	5 189	3 507	
		17 158	13 295	4.5
Hong Kong				
320 500	CK Asset Holdings Ltd.	3 511	3 201	
201 000	Kerry Properties Ltd.	991	937	
780 500	SmarTone Telecommunications	1 243	1 182	
		5 745	5 320	1.8
Israel				
112 094	AudioCodes Ltd.	1 494	1 516	
51 981	Camtek Ltd.	723	480	
26 612	Fox Wize Ltd.	698	825	
85 852	Israel Chemicals Ltd.	623	666	
559 214	Israel Discount Bank Ltd.	2 540	2 356	
90 987	Jerusalem Economy Ltd.	322	319	
5 214	The Israel Corporation Ltd.	1 707	1 893	
		8 107	8 055	2.7
Italy				
266 882	AEM S.p.A.	657	654	
277 551	ENI S.p.A.	5 873	5 986	
41 694	ERG S.p.A.	1 001	1 077	
59 808	EXOR N.V.	4 813	4 433	
186 548	Fiat Chrysler Automobiles N.V.	4 069	3 672	
86 180	Fiera Milano S.p.A.	691	450	
43 640	Italgas S.p.A.	343	342	
1 002 445	Saras S.p.A.	3 138	2 655	
222 309	UnipolSai S.p.A.	670	687	
		21 255	19 956	6.7
Japan				
57 100	Alfresa Holdings Corp.	1 726	1 987	
432 800	Astellas Pharma Inc.	7 673	7 549	
20 000	Bridgestone Corp.	1 055	1 048	
39 200	Capcom Co. Ltd.	1 183	1 061	
12 600	Daiho Corp.	474	553	
24 200	Fudo Tetra Corp.	521	510	
15 400	Fujimori Kogyo Co. Ltd.	734	563	
31 100	Fujiya Co. Ltd.	975	886	
600	Fukuda Corp.	48	30	
19 900	Gakken Holdings Co. Ltd.	1 241	1 052	
73 700	Geo Holdings Corp.	1 444	1 528	
84 400	Hitachi Ltd.	4 145	3 055	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Japan (cont.)				
3 600	Hoya Corp.	\$ 287	\$ 296	
36 700	Isuzu Motors Ltd.	722	703	
203 400	Japan Aviation Electronics Industry Ltd.	4 150	3 196	
14 700	JBCC Holdings Inc.	300	290	
46 900	Kakiyasu Honten Co. Ltd.	1 664	1 347	
100 400	Kanamoto Co. Ltd.	4 099	3 610	
6 400	Kasai Kogyo Co. Ltd.	127	65	
19 900	Keihin Corp.	517	455	
7 643	Mitsui Sugar Co. Ltd.	383	264	
63 300	Nihon Unisys Ltd.	1 716	1 926	
277 600	Nippon Coke & Engineering Co. Ltd.	381	314	
5 900	Nippon Telegraph & Telephone Corp.	368	329	
30 100	Nishio Rent All Co. Ltd.	1 298	1 235	
58 600	Nisshin Fudosan Co.	602	330	
186 800	Nisshinbo Holdings Inc.	3 417	1 924	
19 300	Nomura Research Institute Ltd.	1 251	977	
41 800	Noritake Co. Ltd.	2 582	2 356	
19 400	NTT DoCoMo Inc.	592	595	
112 800	Oenon Holdings Inc.	617	486	
9 500	Ohsho Food Service Corp.	847	855	
39 000	Penta-Ocean Construction Co. Ltd.	385	294	
21 700	Ryobi Ltd.	919	704	
151 200	SAMTY Co. Ltd.	2 605	2 357	
74 400	San-Ai Oil Co. Ltd.	1 417	1 003	
53 600	Sansei Technologies Inc.	875	1 201	
29 200	Shibaura Mechatronics Corp.	1 680	1 229	
13 400	Shionogi & Co. Ltd.	1 218	1 044	
50 700	Shizuoka Gas Co. Ltd.	537	536	
12 800	SK-Electronics Co. Ltd.	313	251	
27 000	Square Enix Holdings Co. Ltd.	1 673	1 003	
37 700	Subaru Corp.	1 573	1 100	
95 400	Sumitomo Dainippon Pharma Co. Ltd.	2 744	4 153	
75 300	Suzuken Co. Ltd.	3 964	5 235	
44 900	T-Gaia Corp.	1 412	1 157	
80 400	Toa Oil Co. Ltd.	1 908	1 543	
12 500	Toho Holdings Co. Ltd.	408	417	
121 200	Tokyo Electric Power Co. Holdings Inc.	815	983	
110 600	Tokyu Construction Co. Ltd.	1 350	1 364	
87 500	Toshiba TEC Corp.	3 380	2 781	
180 779	Toyo Construction Co. Ltd.	1 277	849	
28 100	Yamaya Corp.	967	768	
		78 559	71 347	24.1
Luxembourg				
5 363	RTL Group S.A.	512	390	
		512	390	0.1
Netherlands				
61 652	ASR Nederland N.V.	3 630	3 330	
179 312	Koninklijke Ahold Delhaize N.V.	5 504	6 184	
19 574	Koninklijke DSM N.V.	2 561	2 168	
13 118	NN Group N.V.	745	712	
23 730	Wolters Kluwer N.V.	1 866	1 905	
		14 306	14 299	4.8

Holdings	Security	Cost	Fair Value	% of Net Assets
New Zealand				
909 960	Spark New Zealand Ltd.	\$ 2 770	\$ 3 465	
120 199	Synlait Milk Ltd.	1 083	993	
		3 853	4 458	1.5
Norway				
49 597	Aker BP ASA	1 646	1 707	
176 505	Equinor ASA	5 618	5 111	
36 268	Salmar ASA	2 420	2 456	
56 780	Telenor ASA	1 201	1 505	
78 889	TGS Nopec Geophysical Co. ASA	3 762	2 602	
		14 647	13 381	4.5
Portugal				
71 648	Galp Energia SGPS S.A.	1 773	1 540	
		1 773	1 540	0.5
Singapore				
1 436 000	AEM Holdings Ltd.	8 539	1 189	
318 300	Best World International Ltd.	683	838	
818 900	China SunSine Chemical Holdings Ltd.	1 198	1 036	
		10 420	3 063	1.0
Spain				
76 968	Endesa S.A.	2 286	2 423	
145 271	Repsol YPF S.A.	3 486	3 188	
		5 772	5 611	1.9
Sweden				
24 851	Hennes & Mauritz AB, Series B	585	484	
103 788	KappAhl AB	544	278	
221 759	Nobina AB	1 952	2 042	
258 044	Nordea Bank Abp	4 303	2 968	
317 080	Skandinaviska Enskilda Banken	5 041	4 202	
78 822	Swedbank AB	2 305	2 402	
27 087	Swedish Match AB	1 274	1 452	
		16 004	13 828	4.7
Switzerland				
2 395	EMS-Chemie Holding AG	1 673	1 557	
9 251	Roche Holding AG	3 005	3 080	
5 844	Schindler Holding AG	1 727	1 584	
1 659	Siegfried Holding AG	1 007	775	
7 688	Sunrise Communications Group AG	945	924	
198	Vetropack Holding AG	566	553	
8 293	Zurich Insurance Group AG	2 848	3 375	
		11 771	11 848	4.0
United Kingdom				
27 257	A.G. Barr Plc.	342	375	
632 515	AA Plc.	1 197	825	
20 908	Avon Rubber Plc.	515	454	
243 676	Burberry Group Plc.	8 008	7 305	
20 324	Computacenter Plc.	560	356	
94 525	De La Rue Plc.	824	696	
327 025	Evrax Plc.	2 691	2 734	
76 084	GlaxoSmithKline Plc.	2 053	1 980	
187 865	HSBC Holdings Plc. (U.K. Reg.)	2 042	2 116	
50 945	IG Group Holdings Plc.	757	506	
97 590	Imperial Brands Plc.	4 775	4 044	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United Kingdom (cont.)				
160 023	International Consolidated Airlines Group S.A.	\$ 1 743	\$ 1 723	
156 400	International Personal Finance Plc.	607	557	
69 054	National Grid Plc.	963	922	
8 715	Next Plc.	858	606	
126 016	Numis Corp Plc.	925	524	
67 680	Persimmon Plc.	2 455	2 275	
69 734	Rio Tinto Plc.	4 674	4 559	
132 094	Royal Mail Plc.	1 078	626	
28 907	Staffline Group Plc.	527	623	
572 088	Stagecoach Group Plc.	1 580	1 320	
202 851	Tate & Lyle Plc.	2 334	2 330	
301 594	Tesco Plc.	1 273	999	
1 372 921	Vodafone Group Plc.	4 856	3 644	
		47 637	42 099	14.2
TOTAL INTERNATIONAL EQUITIES		333 795	295 558	99.6
SHORT-TERM INVESTMENTS*		1 416	1 416	0.5
TOTAL INVESTMENTS		335 211	296 974	100.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	7	—
TOTAL PORTFOLIO		<u>\$ 335 211</u>	296 981	100.1
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(404)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 296 577</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 53 028 Sold CAD 653 @ 81.1477	04-Jan-2019	\$ 7
Bought JPY 551 Sold CAD 7 @ 81.0640	04-Jan-2019	—
Bought CAD 6 Sold JPY 452 @ 0.0124	08-Jan-2019	—
TOTAL FOREIGN EXCHANGE		<u>\$ 7</u>

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 296 974	\$ 380 001
Cash	142	—
Due from investment dealers	43	—
Subscriptions receivable	59	146
Unrealized gain on foreign exchange contracts	7	—
Dividends receivable, interest accrued and other assets	657	289
TOTAL ASSETS	297 882	380 436
LIABILITIES		
Bank overdraft	—	171
Due to investment dealers	698	126
Redemptions payable	116	146
Accounts payable and accrued expenses	491	649
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 305	1 092
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 296 577	\$ 379 344
Investments at cost	\$ 335 211	\$ 353 383
NAV		
SERIES A	\$ 219 261	\$ 301 159
ADVISOR SERIES	\$ 3 365	\$ 4 940
SERIES D	\$ 17 537	\$ 21 488
SERIES F	\$ 41 873	\$ 33 663
SERIES I	\$ 2 124	\$ 2 826
SERIES O	\$ 12 417	\$ 15 268
NAV PER UNIT		
SERIES A	\$ 9.40	\$ 11.19
ADVISOR SERIES	\$ 9.27	\$ 11.03
SERIES D	\$ 9.50	\$ 11.31
SERIES F	\$ 8.77	\$ 10.45
SERIES I	\$ 10.28	\$ 12.24
SERIES O	\$ 8.39	\$ 10.00

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 19 887	\$ 15 590
Interest for distribution purposes	37	26
Derivative income	(112)	(78)
Net realized gain (loss) on investments	9 417	31 561
Change in unrealized gain (loss) on investments	(64 848)	17 886
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(35 619)	64 985
Other income (loss)	67	—
Securities lending revenue (see note 7 in the generic notes)	235	329
Net gain (loss) on foreign cash balances	37	(31)
TOTAL OTHER INCOME (LOSS)	339	298
TOTAL INCOME (LOSS)	(35 280)	65 283
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 681	6 412
Administration fees	644	709
Independent Review Committee costs	2	3
GST/HST	612	685
Transaction costs	605	494
Withholding tax	1 435	1 172
TOTAL EXPENSES	8 979	9 475
INCREASE (DECREASE) IN NAV	\$ (44 259)	\$ 55 808
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (33 641)	\$ 43 987
ADVISOR SERIES	\$ (515)	\$ 707
SERIES D	\$ (2 534)	\$ 3 021
SERIES F	\$ (5 712)	\$ 3 798
SERIES I	\$ (299)	\$ 1 804
SERIES O	\$ (1 558)	\$ 2 491
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.37)	\$ 1.53
ADVISOR SERIES	\$ (1.30)	\$ 1.50
SERIES D	\$ (1.35)	\$ 1.63
SERIES F	\$ (1.40)	\$ 1.44
SERIES I	\$ (1.37)	\$ 1.62
SERIES O	\$ (1.09)	\$ 1.60

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (44 259)	\$ 55 808
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(8 792)	(31 063)
Change in unrealized loss (gain) on investments	64 848	(17 886)
(Increase) decrease in accrued receivables	(368)	59
Increase (decrease) in accrued payables	(158)	(9)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 004 864)	(1 378 336)
Proceeds from sale and maturity of investments	1 032 357	1 438 122
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	38 764	66 695
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17 729	17 962
Cash paid on redemption of redeemable units	(55 620)	(84 535)
Distributions paid to holders of redeemable units	(560)	(328)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (38 451)	\$ (66 901)
Net increase (decrease) in cash for the period	313	(206)
Cash (bank overdraft), beginning of period	(171)	35
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 142	\$ (171)
Interest received (paid)	\$ 37	\$ 26
Dividends received, net of withholding taxes	\$ 18 152	\$ 14 477

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 301 159	\$ 314 474	\$ 4 940	\$ 4 948	\$ 21 488	\$ 18 978	\$ 33 663	\$ 20 439
INCREASE (DECREASE) IN NAV	(33 641)	43 987	(515)	707	(2 534)	3 021	(5 712)	3 798
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	9 057	9 953	268	333	2 026	3 652	20 343	17 057
Reinvestments of distributions to holders of redeemable units	7 374	4 808	106	76	723	513	1 499	715
Redemption of redeemable units	(57 238)	(67 202)	(1 318)	(1 042)	(3 398)	(4 132)	(6 013)	(7 409)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(40 807)	(52 441)	(944)	(633)	(649)	33	15 829	10 363
Distributions from net income	(7 450)	(4 861)	(116)	(82)	(768)	(544)	(1 907)	(937)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7 450)	(4 861)	(116)	(82)	(768)	(544)	(1 907)	(937)
NET INCREASE (DECREASE) IN NAV	(81 898)	(13 315)	(1 575)	(8)	(3 951)	2 510	8 210	13 224
NAV AT END OF PERIOD	\$ 219 261	\$ 301 159	\$ 3 365	\$ 4 940	\$ 17 537	\$ 21 488	\$ 41 873	\$ 33 663

For the periods ended December 31 (see note 2 in the generic notes)	Series I		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 826	\$ 16 140	\$ 15 268	\$ 15 047	\$ 379 344	\$ 390 026
INCREASE (DECREASE) IN NAV	(299)	1 804	(1 558)	2 491	(44 259)	55 808
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	16	163	3 064	2 344	34 774	33 502
Reinvestments of distributions to holders of redeemable units	92	79	707	584	10 501	6 775
Redemption of redeemable units	(408)	(15 274)	(4 347)	(4 605)	(72 722)	(99 664)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(300)	(15 032)	(576)	(1 677)	(27 447)	(59 387)
Distributions from net income	(103)	(86)	(717)	(593)	(11 061)	(7 103)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(103)	(86)	(717)	(593)	(11 061)	(7 103)
NET INCREASE (DECREASE) IN NAV	(702)	(13 314)	(2 851)	221	(82 767)	(10 682)
NAV AT END OF PERIOD	\$ 2 124	\$ 2 826	\$ 12 417	\$ 15 268	\$ 296 577	\$ 379 344

The accompanying notes are an integral part of these financial statements.



December 31, 2018

Series I units have been capped and are no longer available for purchase by new investors effective June 30, 2016. Existing investors who hold Series I units of the Fund can continue to make additional investments into this series.

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns composed of capital growth and current income from investments outside North America.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Japan	24.1	27.6
United Kingdom	14.2	13.9
Australia	11.0	5.8
Italy	6.7	6.0
France	5.1	9.3
Netherlands	4.8	0.4
Sweden	4.7	3.8
Germany	4.5	6.8
Norway	4.5	4.8
Switzerland	4.0	2.0
Israel	2.7	4.8
Finland	2.2	1.5
Denmark	2.1	6.3
New Zealand	1.5	1.5
Other Countries	7.5	4.5
Cash/Other	0.4	1.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	28.0	29.1
Japanese yen	24.1	27.5
Pound sterling	14.2	12.2
Australian dollar	11.0	5.8
Swedish krona	4.7	3.8
Norwegian krone	4.5	4.8
Swiss franc	4.0	2.0
Israeli new shekel	2.7	4.8
Danish krone	2.1	6.3

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Hong Kong dollar	1.9	–
New Zealand dollar	1.5	1.5
Singapore dollar	1.0	1.1
Total	99.7	98.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	295 558	–	295 558
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 416	–	1 416
Derivatives – assets	–	7	–	7
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	296 981	–	296 981
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	375 606	–	375 606
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	4 395	–	4 395
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	380 001	–	380 001
% of total portfolio	–	100.0	–	100.0



December 31, 2018

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.20%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series I	0.75%	0.02%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	887	836
Value of all units	7	8

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	498 631
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	26 907	31 812
Issued number of units	819	925
Reinvested number of units	791	427
Redeemed number of units	(5 199)	(6 257)
Ending number of units	23 318	26 907

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	448	508
Issued number of units	23	31
Reinvested number of units	12	7
Redeemed number of units	(120)	(98)
Ending number of units	363	448

Series D		
Opening units	1 899	1 899
Issued number of units	179	335
Reinvested number of units	77	45
Redeemed number of units	(309)	(380)
Ending number of units	1 846	1 899

Series F		
Opening units	3 222	2 214
Issued number of units	1 968	1 674
Reinvested number of units	172	68
Redeemed number of units	(589)	(734)
Ending number of units	4 773	3 222

Series I		
Opening units	231	1 492
Issued number of units	2	15
Reinvested number of units	9	6
Redeemed number of units	(35)	(1 282)
Ending number of units	207	231

Series O		
Opening units	1 527	1 702
Issued number of units	307	236
Reinvested number of units	85	58
Redeemed number of units	(439)	(469)
Ending number of units	1 480	1 527

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	605	100	494	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	—	—	—	—

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	20 921	47 892
Fair value of collateral received	21 340	48 849

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	314	100	453	100
RBC IS (paid)	(79)	(25)	(124)	(27)
Tax withheld	—	—	—	—
Fund revenue	235	75	329	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EUROPEAN DIVIDEND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EUROPEAN EQUITIES				
Denmark				
51 571	Novo Nordisk A/S	\$ 3 170	\$ 3 227	
30 308	Novozymes A/S	1 844	1 846	
19 414	Pandora A/S	2 559	1 082	
		7 573	6 155	4.1
Finland				
103 845	Fortum OYJ	3 041	3 092	
31 620	Kone OYJ	1 825	2 055	
39 091	Sampo OYJ	2 325	2 356	
		7 191	7 503	5.0
France				
19 146	Cie Generale des Etablissements Michelin	3 325	2 573	
9 455	EssilorLuxottica S.A.	1 615	1 607	
38 233	Gaztransport Et Technigaz S.A.	2 533	4 014	
5 824	LVMH Louis Vuitton Moet-Hennessy	2 286	2 328	
45 045	Rubis SCA	2 681	3 307	
66 712	Total S.A.	4 676	4 804	
22 606	UBISOFT Entertainment	3 143	2 486	
		20 259	21 119	14.0
Germany				
40 500	1&1 Drillisch AG	2 844	2 810	
22 921	BASF AG	2 900	2 183	
28 858	Bayer AG	3 327	2 745	
12 062	Continental AG	3 182	2 286	
16 585	Siemens AG	2 695	2 538	
		14 948	12 562	8.4
Italy				
61 557	Banca Generali S.p.A.	2 215	1 747	
124 611	UniCredit S.p.A.	3 143	1 927	
		5 358	3 674	2.4
Netherlands				
16 150	Heineken N.V.	1 973	1 949	
301 152	ING Groep N.V.	6 119	4 422	
30 102	TKH Group N.V.	2 247	1 911	
90 210	Unilever N.V.	4 995	6 672	
		15 334	14 954	9.9
Norway				
30 129	TGS Nopec Geophysical Co. ASA	965	994	
		965	994	0.7
Sweden				
239 157	Coor Service Management Holding AB	2 427	2 558	
302 295	Nordea Bank Abp	4 347	3 477	
		6 774	6 035	4.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Switzerland				
49 324	Novartis AG	\$ 5 290	\$ 5 767	
2 623	Partners Group Holding AG	2 309	2 178	
21 033	Roche Holdings AG Genussscheine	7 132	7 129	
3 004	Swiss Life Holding	1 563	1 583	
180 851	UBS Group AG	3 853	3 080	
		20 147	19 737	13.1
United Kingdom				
32 466	AstraZeneca Plc.	2 912	3 363	
280 765	BAE Systems Plc.	2 785	2 242	
47 261	British American Tobacco Plc.	3 407	2 053	
742 033	BT Group Plc.	4 145	3 080	
53 427	Diageo Plc.	2 560	2 606	
600 918	Ibstock Plc.	2 468	2 080	
42 007	Imperial Brands Plc.	2 559	1 741	
472 974	John Laing Group Plc.	2 102	2 735	
758 483	Legal & General Group Plc.	3 440	3 051	
44 701	London Stock Exchange Group Plc.	2 252	3 166	
102 548	Micro Focus International Plc.	2 376	2 453	
27 396	Next Plc.	2 162	1 904	
178 737	Playtech Plc.	2 413	1 198	
56 057	Reckitt Benckiser Plc.	6 271	5 860	
223 820	RELX Plc.	4 628	6 287	
57 567	Rio Tinto Plc.	3 032	3 764	
129 891	Royal Dutch Shell Plc., B Shares	5 322	5 302	
234 697	The Sage Group Plc.	2 289	2 457	
		57 123	55 342	36.8
TOTAL EUROPEAN EQUITIES		155 672	148 075	98.4
SHORT-TERM INVESTMENTS*		2 089	2 089	1.4
TOTAL INVESTMENTS		157 761	150 164	99.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	1 124	0.7
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(939)	(0.6)
TOTAL PORTFOLIO		\$ 157 761	150 349	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			201	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 150 550		100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought DKK 1 550 Sold CAD 310 @ 5.0037	09-Jan-2019	\$ 15
Bought SEK 2 000 Sold CAD 296 @ 6.7470	11-Jan-2019	12
Bought USD 2 730 Sold EUR 2 343 @ 1.1650	17-Jan-2019	57
Bought EUR 150 Sold CAD 225 @ 0.6663	18-Jan-2019	10
Bought EUR 465 Sold CAD 721 @ 0.6453	18-Jan-2019	7
Bought GBP 620 Sold CAD 1 043 @ 0.5942	23-Jan-2019	36
Bought NOK 2 700 Sold CAD 418 @ 6.4654	23-Jan-2019	9
Bought CHF 80 Sold CAD 104 @ 0.7612	25-Jan-2019	6
Bought EUR 200 Sold CAD 301 @ 0.6656	25-Jan-2019	13
Bought EUR 1 350 Sold CAD 2 037 @ 0.6628	25-Jan-2019	78
Bought GBP 300 Sold CAD 509 @ 0.5892	25-Jan-2019	13
Bought CAD 210 Sold NOK 1 315 @ 0.1596	29-Jan-2019	2
Bought CHF 300 Sold CAD 395 @ 0.7595	29-Jan-2019	22
Bought SEK 2 000 Sold CAD 288 @ 6.9393	29-Jan-2019	20
Bought EUR 1 451 Sold CAD 2 202 @ 0.6590	31-Jan-2019	72
Bought GBP 200 Sold CAD 340 @ 0.5877	31-Jan-2019	8
Bought GBP 200 Sold CAD 341 @ 0.5870	31-Jan-2019	8
Bought EUR 400 Sold CAD 604 @ 0.6622	06-Feb-2019	23
Bought GBP 814 Sold CAD 1 381 @ 0.5896	07-Feb-2019	37
Bought EUR 1 460 Sold CAD 2 201 @ 0.6633	11-Feb-2019	88
Bought EUR 200 Sold CAD 311 @ 0.6430	11-Feb-2019	3
Bought GBP 250 Sold CAD 425 @ 0.5881	13-Feb-2019	10
Bought CHF 240 Sold CAD 321 @ 0.7470	20-Feb-2019	13
Bought EUR 420 Sold CAD 637 @ 0.6604	20-Feb-2019	23
Bought USD 655 Sold CAD 867 @ 0.7546	20-Feb-2019	25
Bought DKK 1 000 Sold CAD 206 @ 4.8568	22-Feb-2019	4
Bought DKK 1 000 Sold CAD 209 @ 4.7931	22-Feb-2019	2
Bought EUR 1 000 Sold CAD 1 509 @ 0.6625	22-Feb-2019	60
Bought GBP 81 Sold CAD 138 @ 0.5869	22-Feb-2019	3
Bought NOK 5 000 Sold CAD 780 @ 6.4141	22-Feb-2019	11
Bought GBP 169 Sold CAD 288 @ 0.5875	26-Feb-2019	7
Bought GBP 375 Sold CAD 633 @ 0.5925	26-Feb-2019	21
Bought EUR 106 Sold CAD 161 @ 0.6577	06-Mar-2019	5
Bought EUR 4 564 Sold CAD 6 880 @ 0.6634	07-Mar-2019	287
Bought CHF 361 Sold CAD 493 @ 0.7318	13-Mar-2019	11
Bought CHF 100 Sold CAD 138 @ 0.7236	13-Mar-2019	1
Bought EUR 1 627 Sold CAD 2 480 @ 0.6560	13-Mar-2019	75
Bought GBP 511 Sold CAD 866 @ 0.5903	18-Mar-2019	25
Bought NOK 582 Sold CAD 90 @ 6.4550	18-Mar-2019	2
		\$ 1 124

Contracts	Maturity Date	Unrealized Loss
Bought CAD 712 Sold DKK 3 494 @ 0.2038	09-Jan-2019	\$ (20)
Bought CAD 109 Sold USD 83 @ 1.3192	11-Jan-2019	(4)
Bought CAD 513 Sold SEK 3 501 @ 0.1466	11-Jan-2019	(26)
Bought CAD 227 Sold EUR 150 @ 1.5150	11-Jan-2019	(7)
Bought CAD 61 Sold DKK 299 @ 0.2037	16-Jan-2019	(2)
Bought USD 681 Sold EUR 600 @ 1.1353	17-Jan-2019	(10)
Bought CAD 332 Sold DKK 1 665 @ 0.1996	18-Jan-2019	(17)
Bought CAD 263 Sold CHF 200 @ 1.3134	18-Jan-2019	(15)
Bought CAD 380 Sold EUR 250 @ 1.5189	22-Jan-2019	(12)
Bought CAD 443 Sold SEK 3 034 @ 0.1459	23-Jan-2019	(25)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 324 Sold NOK 2 086 @ 0.1552	23-Jan-2019	\$ (6)
Bought NOK 2 437 Sold CAD 387 @ 6.3050	23-Jan-2019	(2)
Bought NOK 2 000 Sold CAD 317 @ 6.3094	23-Jan-2019	(1)
Bought CAD 684 Sold GBP 400 @ 1.7088	24-Jan-2019	(13)
Bought CAD 290 Sold DKK 1 441 @ 0.2013	24-Jan-2019	(12)
Bought CAD 409 Sold GBP 240 @ 1.7028	24-Jan-2019	(9)
Bought CAD 30 Sold EUR 20 @ 1.4923	25-Jan-2019	(1)
Bought CAD 374 Sold EUR 250 @ 1.4943	25-Jan-2019	(18)
Bought CAD 280 Sold GBP 166 @ 1.6856	25-Jan-2019	(9)
Bought CAD 305 Sold EUR 200 @ 1.5256	25-Jan-2019	(8)
Bought CAD 396 Sold GBP 235 @ 1.6834	28-Jan-2019	(14)
Bought CAD 1 054 Sold SEK 7 208 @ 0.1462	29-Jan-2019	(58)
Bought CAD 739 Sold SEK 5 000 @ 0.1478	29-Jan-2019	(32)
Bought USD 2 439 Sold EUR 2 139 @ 1.1401	30-Jan-2019	(25)
Bought CAD 2 017 Sold GBP 1 178 @ 1.7124	31-Jan-2019	(34)
Bought CAD 2 587 Sold EUR 1 700 @ 1.5219	31-Jan-2019	(77)
Bought CAD 604 Sold GBP 350 @ 1.7265	31-Jan-2019	(5)
Bought CAD 416 Sold EUR 275 @ 1.5130	05-Feb-2019	(15)
Bought CAD 614 Sold EUR 400 @ 1.5357	05-Feb-2019	(13)
Bought CAD 596 Sold GBP 345 @ 1.7269	06-Feb-2019	(5)
Bought CAD 350 Sold NOK 2 245 @ 0.1561	06-Feb-2019	(4)
Bought CAD 518 Sold GBP 308 @ 1.6834	07-Feb-2019	(18)
Bought CAD 1 806 Sold EUR 1 200 @ 1.5047	08-Feb-2019	(76)
Bought CAD 462 Sold EUR 300 @ 1.5405	11-Feb-2019	(8)
Bought CAD 178 Sold NOK 1 152 @ 0.1549	15-Feb-2019	(4)
Bought CAD 1 001 Sold EUR 663 @ 1.5095	21-Feb-2019	(39)
Bought CAD 1 426 Sold GBP 826 @ 1.7263	21-Feb-2019	(13)
Bought CAD 633 Sold DKK 3 131 @ 0.2020	22-Feb-2019	(26)
Bought CAD 41 Sold DKK 200 @ 0.2027	22-Feb-2019	(2)
Bought CAD 432 Sold GBP 256 @ 1.6891	22-Feb-2019	(14)
Bought CAD 736 Sold SEK 5 028 @ 0.1463	25-Feb-2019	(41)
Bought CAD 147 Sold SEK 1 000 @ 0.1468	25-Feb-2019	(8)
Bought CAD 1 608 Sold GBP 949 @ 1.6948	01-Mar-2019	(45)
Bought CAD 909 Sold EUR 601 @ 1.5125	01-Mar-2019	(34)
Bought CAD 480 Sold DKK 2 345 @ 0.2046	05-Mar-2019	(14)
Bought CAD 18 Sold EUR 12 @ 1.5080	06-Mar-2019	(1)
Bought CAD 344 Sold GBP 200 @ 1.7190	06-Mar-2019	(5)
Bought CAD 612 Sold EUR 400 @ 1.5308	06-Mar-2019	(16)
Bought CAD 779 Sold GBP 455 @ 1.7125	06-Mar-2019	(14)
Bought CAD 1 620 Sold EUR 1 061 @ 1.5272	08-Mar-2019	(45)
Bought CAD 538 Sold GBP 318 @ 1.6908	12-Mar-2019	(17)

TOTAL FOREIGN EXCHANGE	\$ (939)
	\$ 185

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.22% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 150 164	\$ 162 919
Cash	81	304
Subscriptions receivable	12	45
Unrealized gain on foreign exchange contracts	1 124	228
Dividends receivable, interest accrued and other assets	184	232
TOTAL ASSETS	151 565	163 728
LIABILITIES		
Redemptions payable	12	96
Unrealized loss on foreign exchange contracts	939	597
Accounts payable and accrued expenses	64	79
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 015	772
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 150 550	\$ 162 956
Investments at cost	\$ 157 761	\$ 147 173
NAV		
SERIES A	\$ 24 312	\$ 31 332
ADVISOR SERIES	\$ 800	\$ 1 211
SERIES D	\$ 2 836	\$ 3 462
SERIES F	\$ 11 767	\$ 11 429
SERIES O	\$ 110 835	\$ 115 522
NAV PER UNIT		
SERIES A	\$ 10.09	\$ 11.69
ADVISOR SERIES	\$ 10.09	\$ 11.70
SERIES D	\$ 10.19	\$ 11.79
SERIES F	\$ 10.26	\$ 11.85
SERIES O	\$ 10.61	\$ 12.25

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 6 157	\$ 5 581
Interest for distribution purposes	45	19
Derivative income	84	(442)
Net realized gain (loss) on investments	1 878	(2 396)
Change in unrealized gain (loss) on investments	(22 789)	15 695
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(14 625)	18 457
Other income (loss)	34	—
Securities lending revenue (see note 7 in the generic notes)	69	122
Net gain (loss) on foreign cash balances	73	(70)
TOTAL OTHER INCOME (LOSS)	176	52
TOTAL INCOME (LOSS)	(14 449)	18 509
EXPENSES (see notes – Fund Specific Information)		
Management fees	658	618
Administration fees	122	116
Independent Review Committee costs	2	3
GST/HST	79	72
Transaction costs	139	225
Withholding tax	648	495
TOTAL EXPENSES	1 648	1 529
INCREASE (DECREASE) IN NAV	\$ (16 097)	\$ 16 980
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 476)	\$ 3 257
ADVISOR SERIES	\$ (110)	\$ 117
SERIES D	\$ (391)	\$ 391
SERIES F	\$ (1 529)	\$ 491
SERIES O	\$ (10 591)	\$ 12 724
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.33)	\$ 1.30
ADVISOR SERIES	\$ (1.30)	\$ 1.09
SERIES D	\$ (1.28)	\$ 1.24
SERIES F	\$ (1.34)	\$ 0.71
SERIES O	\$ (1.17)	\$ 1.47



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (16 097)	\$ 16 980
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 714)	2 602
Change in unrealized loss (gain) on investments	22 789	(15 695)
(Increase) decrease in accrued receivables	48	(102)
Increase (decrease) in accrued payables	(15)	23
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(125 307)	(147 226)
Proceeds from sale and maturity of investments	116 433	123 113
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(3 863)	(20 305)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	47 157	55 177
Cash paid on redemption of redeemable units	(43 375)	(34 563)
Distributions paid to holders of redeemable units	(142)	(110)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 3 640	\$ 20 504
Net increase (decrease) in cash for the period	(223)	199
Cash (bank overdraft), beginning of period	304	105
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 81	\$ 304
Interest received (paid)	\$ 44	\$ 19
Dividends received, net of withholding taxes	\$ 5 592	\$ 4 984

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 31 332	\$ 24 866	\$ 1 211	\$ 982	\$ 3 462	\$ 2 762	\$ 11 429	\$ 2 560
INCREASE (DECREASE) IN NAV	(3 476)	3 257	(110)	117	(391)	391	(1 529)	491
Early redemption fees	—	—	—	—	—	3	—	—
Proceeds from redeemable units issued	6 063	12 996	258	789	1 577	3 170	7 251	12 932
Reinvestments of distributions to holders of redeemable units	604	506	18	22	92	88	254	104
Redemption of redeemable units	(9 599)	(9 781)	(558)	(676)	(1 809)	(2 861)	(5 254)	(4 454)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(2 932)	3 721	(282)	135	(140)	400	2 251	8 582
Distributions from net income	(612)	(512)	(19)	(23)	(95)	(91)	(384)	(204)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(612)	(512)	(19)	(23)	(95)	(91)	(384)	(204)
NET INCREASE (DECREASE) IN NAV	(7 020)	6 466	(411)	229	(626)	700	338	8 869
NAV AT END OF PERIOD	\$ 24 312	\$ 31 332	\$ 800	\$ 1 211	\$ 2 836	\$ 3 462	\$ 11 767	\$ 11 429

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 115 522	\$ 94 843	\$ 162 956	\$ 126 013
INCREASE (DECREASE) IN NAV	(10 591)	12 724	(16 097)	16 980
Early redemption fees	—	—	—	3
Proceeds from redeemable units issued	34 784	27 079	49 933	56 966
Reinvestments of distributions to holders of redeemable units	3 735	3 481	4 703	4 201
Redemption of redeemable units	(28 880)	(19 124)	(46 100)	(36 896)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	9 639	11 436	8 536	24 274
Distributions from net income	(3 735)	(3 481)	(4 845)	(4 311)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 735)	(3 481)	(4 845)	(4 311)
NET INCREASE (DECREASE) IN NAV	(4 687)	20 679	(12 406)	36 943
NAV AT END OF PERIOD	\$ 110 835	\$ 115 522	\$ 150 550	\$ 162 956

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns consisting of regular dividend income and modest capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	36.8	38.1
France	14.0	8.0
Switzerland	13.1	12.4
Netherlands	9.9	13.8
Germany	8.4	7.8
Finland	5.0	3.4
Denmark	4.1	2.9
Sweden	4.0	5.7
Italy	2.4	4.4
Norway	0.7	1.1
Spain	—	1.1
Cash/Other	1.6	1.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	44.8	45.6
Pound sterling	27.3	28.0
Swiss franc	13.9	12.6
United States dollar	5.8	5.3
Swedish krona	4.1	4.2
Danish krone	2.8	3.0
Norwegian krone	1.3	1.1
Total	100.0	99.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Europe Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	148 075	—	148 075
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	2 089	—	2 089
Derivatives – assets	—	1 124	—	1 124
Derivatives – liabilities	—	(939)	—	(939)
Total financial instruments	—	150 349	—	150 349
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	160 906	—	160 906
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	2 013	—	2 013
Derivatives – assets	—	228	—	228
Derivatives – liabilities	—	(597)	—	(597)
Total financial instruments	—	162 550	—	162 550
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	3 727
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 680	2 354
Issued number of units	531	1 143
Reinvested number of units	54	45
Redeemed number of units	(855)	(862)
Ending number of units	2 410	2 680
Advisor Series		
Opening units	104	93
Issued number of units	23	69
Reinvested number of units	2	2
Redeemed number of units	(50)	(60)
Ending number of units	79	104
Series D		
Opening units	294	260
Issued number of units	135	277
Reinvested number of units	8	8
Redeemed number of units	(159)	(251)
Ending number of units	278	294
Series F		
Opening units	964	240
Issued number of units	640	1 095
Reinvested number of units	22	9
Redeemed number of units	(479)	(380)
Ending number of units	1 147	964

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series O		
Opening units	9 431	8 604
Issued number of units	3 093	2 209
Reinvested number of units	320	294
Redeemed number of units	(2 393)	(1 676)
Ending number of units	10 451	9 431

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	139	100	225	100
Related-party brokerage commissions*	4	3	9	4
Commission arrangements†	34	24	73	32

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Fair value of securities loaned	15 261		18 756	
Fair value of collateral received	15 567		19 131	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	92	100	167	100
RBC IS (paid)	(23)	(25)	(45)	(27)
Tax withheld	—	—	—	—
Fund revenue	69	75	122	73

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Growth & Income Class	7.9	6.9
RBC Balanced Growth & Income Fund	62.7	60.4
RBC Conservative Growth & Income Fund	3.0	3.2
Total	73.6	70.5



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 124	(939)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 124	(939)
Related amounts not set-off	(637)	637
Collateral (received) pledged	–	–
Net amount	487	(302)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	228	(597)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	228	(597)
Related amounts not set-off	(181)	181
Collateral (received) pledged	–	–
Net amount	47	(416)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EUROPEAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EUROPEAN EQUITIES				
Denmark				
273 949	Christian Hansen Holding A/S	\$ 9 541	\$ 33 118	
117 524	Coloplast A/S	12 524	14 897	
225 049	DSV A/S	23 855	20 213	
3 571 737	ISS A/S	163 657	136 235	
4 278 989	Novo Nordisk A/S	228 693	267 863	
863 217	Novozymes A/S	53 805	52 584	
44 742	Pandora A/S	6 195	2 494	
		498 270	527 404	8.7
Finland				
2 074 014	Sampo OYJ	121 868	124 999	
		121 868	124 999	2.1
France				
464 938	EssilorLuxottica	76 821	80 457	
781 927	Groupe Danone	75 746	75 239	
394 803	LVMH Louis Vuitton			
	Moet-Hennessy	140 509	157 802	
67 376	Safran S.A.	11 340	11 032	
		304 416	324 530	5.3
Germany				
1 237 185	Bayer AG	178 089	117 682	
383 560	Continental AG	101 749	72 698	
874 391	Fresenius Medical Care			
	AG & Co. KGaA	112 348	77 201	
231 244	KION Group AG	26 905	16 005	
1 314 188	SAP SE	156 896	178 681	
409 886	Scout24 AG	23 350	25 520	
445 829	Symrise AG	32 795	45 152	
44 232	Wirecard AG	8 588	9 108	
		640 720	542 047	8.9
Ireland				
1 576 862	CRH Plc.	74 158	56 987	
1 023 144	Paddy Power Betfair Plc.	96 441	114 086	
1 084 100	Ryanair Holdings Plc. ADR	101 981	105 584	
		272 580	276 657	4.6
Netherlands				
1 996 756	Heineken N.V.	233 854	240 940	
8 524 454	ING Groep N.V.	181 439	125 181	
1 838 618	NN Group N.V.	95 037	99 797	
		510 330	465 918	7.7
Spain				
2 796 827	Grifols S.A.	103 760	100 235	
		103 760	100 235	1.6
Sweden				
2 906 062	Assa Abloy AB	79 331	70 829	
2 167 620	Atlas Copco AB	84 762	70 417	
11 096 590	Nordea Bank Abp	157 827	127 622	
		321 920	268 868	4.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Switzerland				
97 791	Geberit AG	\$ 49 261	\$ 51 989	
414 257	Lonza Group AG	171 258	147 016	
874 673	Roche Holdings AG Genussscheine	282 476	296 447	
982 646	Sika AG	130 956	170 403	
		633 951	665 855	10.9
United Kingdom				
6 993 822	Antofagasta Plc.	90 202	95 494	
4 046 012	Ashtead Group Plc.	123 333	115 219	
12 718 297	Barratt Developments Plc.	134 689	102 420	
3 032 834	Burberry Group Plc.	72 392	90 920	
3 571 363	Daily Mail & General Trust Plc.	48 406	35 743	
606 060	DCC Plc.	64 847	63 114	
6 097 299	Diageo Plc.	250 636	297 454	
5 030 860	Hargreaves Lansdown Plc.	155 127	161 985	
3 114 931	Imperial Brands Plc.	150 101	129 071	
286 784	Linde Plc.	61 064	62 263	
82 100 349	Lloyds TSB Group Plc.	97 254	73 884	
3 289 574	London Stock Exchange Group Plc.	177 527	232 992	
3 284 881	Pearson Plc.	52 701	53 724	
10 663 760	RELX Plc.	220 216	299 538	
5 470 280	Royal Dutch Shell Plc., A Shares	205 743	220 119	
3 192 836	Schroders Plc.	169 357	135 752	
11 161 819	The Sage Group Plc.	125 740	116 868	
4 820 975	Unilever Plc.	277 311	345 552	
		2 476 646	2 632 112	43.2
TOTAL EUROPEAN EQUITIES		5 884 461	5 928 625	97.4
SHORT-TERM INVESTMENTS*		140 137	140 137	2.3
TOTAL INVESTMENTS		6 024 598	6 068 762	99.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	54 988	0.9
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(43 234)	(0.7)
TOTAL PORTFOLIO		\$6 024 598	6 080 516	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			6 413	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$6 086 929	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 294 Sold DKK 1 406 @ 0.2092	02-Jan-2019	\$ —
Bought GBP 340 Sold CAD 589 @ 0.5776	02-Jan-2019	3
Bought SEK 8 860 Sold CAD 1 313 @ 6.7470	11-Jan-2019	52
Bought USD 5 381 Sold CAD 6 988 @ 0.7700	14-Jan-2019	355
Bought EUR 36 306 Sold CAD 54 121 @ 0.6708	16-Jan-2019	2 716
Bought EUR 12 625 Sold CAD 19 093 @ 0.6612	16-Jan-2019	671
Bought USD 1 800 Sold CAD 2 336 @ 0.7704	16-Jan-2019	120
Bought EUR 2 761 Sold CAD 4 167 @ 0.6625	17-Jan-2019	155
Bought USD 107 929 Sold EUR 92 643 @ 1.1650	17-Jan-2019	2 240
Bought CHF 8 436 Sold CAD 11 365 @ 0.7422	18-Jan-2019	364
Bought EUR 3 588 Sold CAD 5 385 @ 0.6663	18-Jan-2019	233
Bought EUR 6 420 Sold CAD 9 633 @ 0.6665	18-Jan-2019	419
Bought EUR 13 900 Sold CAD 21 038 @ 0.6607	18-Jan-2019	725
Bought CHF 6 536 Sold CAD 8 809 @ 0.7420	23-Jan-2019	283
Bought SEK 31 198 Sold CAD 4 622 @ 6.7499	23-Jan-2019	190
Bought USD 5 000 Sold CAD 6 625 @ 0.7548	23-Jan-2019	197
Bought DKK 66 000 Sold CAD 13 509 @ 4.8856	24-Jan-2019	339
Bought DKK 1 406 Sold CAD 295 @ 4.7726	24-Jan-2019	—
Bought EUR 66 564 Sold CAD 99 762 @ 0.6672	25-Jan-2019	4 506
Bought EUR 28 320 Sold CAD 42 263 @ 0.6701	25-Jan-2019	2 099
Bought EUR 27 668 Sold CAD 41 386 @ 0.6685	25-Jan-2019	1 954
Bought EUR 18 565 Sold CAD 27 894 @ 0.6656	25-Jan-2019	1 187
Bought EUR 2 000 Sold CAD 3 018 @ 0.6626	25-Jan-2019	114
Bought EUR 34 000 Sold CAD 51 294 @ 0.6628	25-Jan-2019	1 964
Bought EUR 5 000 Sold CAD 7 809 @ 0.6403	25-Jan-2019	23
Bought GBP 2 593 Sold CAD 4 401 @ 0.5892	25-Jan-2019	114
Bought NOK 76 454 Sold CAD 12 001 @ 6.3705	25-Jan-2019	76
Bought CHF 3 170 Sold CAD 4 310 @ 0.7355	28-Jan-2019	101
Bought EUR 37 536 Sold CAD 56 811 @ 0.6607	28-Jan-2019	1 998
Bought CHF 8 000 Sold CAD 10 533 @ 0.7595	29-Jan-2019	600
Bought CHF 3 887 Sold CAD 5 241 @ 0.7417	29-Jan-2019	168
Bought SEK 16 526 Sold CAD 2 443 @ 6.7650	29-Jan-2019	107
Bought SEK 1 902 Sold CAD 282 @ 6.7476	29-Jan-2019	12
Bought EUR 26 739 Sold CAD 40 574 @ 0.6590	31-Jan-2019	1 327
Bought EUR 26 474 Sold CAD 39 847 @ 0.6644	05-Feb-2019	1 651
Bought EUR 7 748 Sold CAD 11 647 @ 0.6652	05-Feb-2019	498
Bought EUR 15 613 Sold CAD 23 453 @ 0.6657	06-Feb-2019	1 021
Bought NOK 25 000 Sold CAD 3 901 @ 6.4078	06-Feb-2019	49
Bought USD 2 000 Sold CAD 2 676 @ 0.7475	08-Feb-2019	52
Bought EUR 52 672 Sold CAD 79 415 @ 0.6633	11-Feb-2019	3 177
Bought CHF 15 603 Sold CAD 21 060 @ 0.7409	13-Feb-2019	675
Bought EUR 24 610 Sold CAD 37 423 @ 0.6576	13-Feb-2019	1 171
Bought EUR 54 131 Sold CAD 81 291 @ 0.6659	14-Feb-2019	3 602
Bought DKK 6 641 Sold CAD 1 356 @ 4.8992	15-Feb-2019	40
Bought NOK 60 000 Sold CAD 9 293 @ 6.4565	15-Feb-2019	190
Bought NOK 52 700 Sold CAD 8 162 @ 6.4564	15-Feb-2019	166
Bought CHF 9 780 Sold CAD 13 091 @ 0.7470	20-Feb-2019	539
Bought CHF 24 040 Sold CAD 32 316 @ 0.7439	21-Feb-2019	1 190
Bought EUR 2 087 Sold CAD 3 150 @ 0.6625	21-Feb-2019	124
Bought DKK 50 000 Sold CAD 10 432 @ 4.7931	22-Feb-2019	78
Bought NOK 12 549 Sold CAD 1 963 @ 6.3932	22-Feb-2019	21
Bought SEK 80 000 Sold CAD 11 747 @ 6.8100	25-Feb-2019	613
Bought CHF 10 000 Sold CAD 13 532 @ 0.7390	26-Feb-2019	410

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought GBP 10 000 Sold CAD 16 877 @ 0.5925	26-Feb-2019	\$ 548
Bought EUR 46 074 Sold CAD 69 686 @ 0.6612	01-Mar-2019	2 633
Bought USD 7 000 Sold CAD 9 341 @ 0.7494	04-Mar-2019	201
Bought USD 8 000 Sold CAD 10 863 @ 0.7364	04-Mar-2019	42
Bought DKK 50 000 Sold CAD 10 383 @ 4.8157	05-Mar-2019	135
Bought EUR 2 740 Sold CAD 4 166 @ 0.6577	06-Mar-2019	136
Bought GBP 155 Sold CAD 260 @ 0.5950	06-Mar-2019	10
Bought EUR 45 147 Sold CAD 68 056 @ 0.6634	07-Mar-2019	2 837
Bought CHF 28 264 Sold CAD 37 744 @ 0.7488	08-Mar-2019	1 692
Bought EUR 58 789 Sold CAD 90 256 @ 0.6514	12-Mar-2019	2 089
Bought CHF 31 816 Sold CAD 43 478 @ 0.7318	13-Mar-2019	934
Bought EUR 14 425 Sold CAD 22 072 @ 0.6535	14-Mar-2019	589
Bought CAD 10 493 Sold GBP 6 000 @ 1.7488	18-Mar-2019	32
Bought EUR 19 300 Sold CAD 29 482 @ 0.6546	18-Mar-2019	846
Bought GBP 12 994 Sold CAD 22 013 @ 0.5903	18-Mar-2019	641
Bought NOK 71 761 Sold CAD 11 117 @ 6.4550	18-Mar-2019	231
Bought USD 5 670 Sold CAD 7 573 @ 0.7487	19-Mar-2019	154
Bought EUR 12 128 Sold CAD 18 506 @ 0.6553	22-Mar-2019	559
		<u>\$ 54 988</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 3 088 Sold USD 2 393 @ 1.2906	04-Jan-2019	\$ (178)
Bought CAD 24 782 Sold DKK 124 000 @ 0.1999	09-Jan-2019	(1 207)
Bought CAD 2 654 Sold DKK 13 148 @ 0.2019	09-Jan-2019	(101)
Bought CAD 4 730 Sold DKK 23 400 @ 0.2021	09-Jan-2019	(175)
Bought CAD 7 575 Sold EUR 5 000 @ 1.5150	11-Jan-2019	(250)
Bought CAD 4 269 Sold USD 3 343 @ 1.2771	14-Jan-2019	(293)
Bought CAD 18 533 Sold EUR 12 000 @ 1.5444	16-Jan-2019	(253)
Bought CAD 37 242 Sold GBP 22 298 @ 1.6702	17-Jan-2019	(1 573)
Bought USD 11 353 Sold EUR 10 000 @ 1.1353	17-Jan-2019	(163)
Bought CAD 7 859 Sold USD 6 136 @ 1.2808	18-Jan-2019	(514)
Bought CAD 2 787 Sold DKK 13 964 @ 0.1996	18-Jan-2019	(142)
Bought CAD 12 745 Sold DKK 63 446 @ 0.2009	18-Jan-2019	(562)
Bought CAD 11 088 Sold CHF 8 436 @ 1.3144	18-Jan-2019	(642)
Bought CAD 30 857 Sold EUR 20 560 @ 1.5008	18-Jan-2019	(1 334)
Bought CAD 13 721 Sold EUR 9 023 @ 1.5207	18-Jan-2019	(407)
Bought CAD 5 804 Sold GBP 3 410 @ 1.7021	22-Jan-2019	(133)
Bought CAD 1 756 Sold GBP 1 030 @ 1.7045	22-Jan-2019	(38)
Bought CAD 6 197 Sold GBP 3 680 @ 1.6839	22-Jan-2019	(210)
Bought CAD 6 657 Sold USD 5 164 @ 1.2891	23-Jan-2019	(389)
Bought CAD 8 662 Sold CHF 6 536 @ 1.3253	23-Jan-2019	(429)
Bought CAD 4 552 Sold SEK 31 198 @ 0.1459	23-Jan-2019	(260)
Bought CAD 35 360 Sold DKK 174 318 @ 0.2029	23-Jan-2019	(1 211)
Bought CAD 20 592 Sold GBP 12 235 @ 1.6830	23-Jan-2019	(709)
Bought CAD 9 928 Sold GBP 5 750 @ 1.7265	23-Jan-2019	(83)
Bought NOK 35 000 Sold CAD 5 551 @ 6.3050	23-Jan-2019	(22)
Bought NOK 30 000 Sold CAD 4 755 @ 6.3094	23-Jan-2019	(16)
Bought CAD 20 375 Sold DKK 100 000 @ 0.2037	24-Jan-2019	(607)
Bought CAD 17 805 Sold GBP 10 400 @ 1.7121	24-Jan-2019	(302)
Bought CAD 17 199 Sold DKK 84 915 @ 0.2025	24-Jan-2019	(617)
Bought CAD 17 931 Sold EUR 12 000 @ 1.4943	25-Jan-2019	(866)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 20 913 Sold DKK 103 966 @ 0.2012	25-Jan-2019	\$ (902)
Bought CAD 19 697 Sold EUR 13 000 @ 1.5152	25-Jan-2019	(666)
Bought CAD 6 086 Sold EUR 4 000 @ 1.5215	25-Jan-2019	(180)
Bought CAD 3 434 Sold GBP 2 000 @ 1.7170	25-Jan-2019	(48)
Bought CAD 589 Sold GBP 340 @ 1.7324	25-Jan-2019	(3)
Bought CAD 17 662 Sold DKK 87 748 @ 0.2013	28-Jan-2019	(754)
Bought CAD 11 431 Sold GBP 6 668 @ 1.7143	28-Jan-2019	(179)
Bought CAD 229 Sold USD 175 @ 1.3068	28-Jan-2019	(10)
Bought CAD 18 518 Sold GBP 11 000 @ 1.6834	28-Jan-2019	(636)
Bought CAD 3 511 Sold SEK 24 018 @ 0.1462	29-Jan-2019	(195)
Bought CAD 3 347 Sold USD 2 578 @ 1.2983	29-Jan-2019	(170)
Bought CAD 15 746 Sold CHF 11 887 @ 1.3247	29-Jan-2019	(795)
Bought NOK 128 458 Sold CAD 20 502 @ 6.2655	29-Jan-2019	(208)
Bought CAD 13 187 Sold DKK 65 000 @ 0.2029	30-Jan-2019	(457)
Bought USD 115 804 Sold EUR 101 572 @ 1.1401	30-Jan-2019	(1 190)
Bought CAD 10 209 Sold GBP 6 000 @ 1.7015	31-Jan-2019	(239)
Bought CAD 2 954 Sold GBP 1 738 @ 1.6999	31-Jan-2019	(72)
Bought CAD 8 537 Sold GBP 5 000 @ 1.7073	31-Jan-2019	(170)
Bought CAD 5 285 Sold GBP 3 100 @ 1.7047	31-Jan-2019	(114)
Bought CAD 25 898 Sold GBP 15 000 @ 1.7265	31-Jan-2019	(223)
Bought CAD 10 469 Sold USD 7 993 @ 1.3098	05-Feb-2019	(433)
Bought CAD 10 271 Sold GBP 6 000 @ 1.7119	05-Feb-2019	(178)
Bought CAD 24 796 Sold GBP 14 700 @ 1.6868	05-Feb-2019	(806)
Bought CAD 3 387 Sold GBP 2 000 @ 1.6937	05-Feb-2019	(96)
Bought CAD 8 600 Sold EUR 5 600 @ 1.5357	05-Feb-2019	(178)
Bought CAD 25 040 Sold DKK 124 468 @ 0.2012	06-Feb-2019	(1 098)
Bought CAD 12 645 Sold EUR 8 430 @ 1.5000	06-Feb-2019	(570)
Bought CAD 33 967 Sold GBP 19 669 @ 1.7269	06-Feb-2019	(289)
Bought CAD 22 966 Sold EUR 15 000 @ 1.5311	06-Feb-2019	(548)
Bought CAD 45 154 Sold GBP 26 823 @ 1.6834	07-Feb-2019	(1 563)
Bought CAD 7 110 Sold GBP 4 192 @ 1.6961	07-Feb-2019	(191)
Bought CAD 4 400 Sold USD 3 349 @ 1.3137	08-Feb-2019	(168)
Bought CAD 3 973 Sold USD 3 041 @ 1.3065	11-Feb-2019	(174)
Bought CAD 9 410 Sold DKK 46 290 @ 0.2033	12-Feb-2019	(315)
Bought CAD 41 906 Sold DKK 208 000 @ 0.2015	13-Feb-2019	(1 792)
Bought CAD 4 804 Sold USD 3 671 @ 1.3086	14-Feb-2019	(202)
Bought CAD 42 823 Sold DKK 212 455 @ 0.2016	15-Feb-2019	(1 816)
Bought CAD 909 Sold EUR 600 @ 1.5142	20-Feb-2019	(33)
Bought CAD 74 910 Sold GBP 43 393 @ 1.7263	21-Feb-2019	(693)
Bought CAD 14 017 Sold USD 10 678 @ 1.3127	21-Feb-2019	(542)
Bought CAD 8 932 Sold GBP 5 242 @ 1.7039	22-Feb-2019	(201)
Bought CAD 32 277 Sold DKK 159 765 @ 0.2020	22-Feb-2019	(1 306)
Bought CAD 25 047 Sold SEK 171 215 @ 0.1463	25-Feb-2019	(1 408)
Bought CAD 21 046 Sold GBP 12 364 @ 1.7022	26-Feb-2019	(498)
Bought CAD 15 895 Sold GBP 9 425 @ 1.6865	26-Feb-2019	(528)
Bought CAD 24 032 Sold GBP 14 144 @ 1.6991	28-Feb-2019	(615)
Bought CAD 1 731 Sold GBP 1 000 @ 1.7310	28-Feb-2019	(12)
Bought CAD 22 434 Sold GBP 13 237 @ 1.6948	01-Mar-2019	(633)
Bought CAD 13 556 Sold USD 10 155 @ 1.3349	05-Mar-2019	(287)
Bought CAD 22 627 Sold DKK 110 614 @ 0.2046	05-Mar-2019	(640)
Bought CAD 70 056 Sold GBP 40 755 @ 1.7190	06-Mar-2019	(974)
Bought CAD 41 483 Sold EUR 27 100 @ 1.5308	06-Mar-2019	(1 068)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 14 053 Sold GBP 8 206 @ 1.7125	06-Mar-2019	\$ (249)
Bought CAD 19 686 Sold USD 14 940 @ 1.3177	08-Mar-2019	(676)
Bought CAD 7 965 Sold USD 6 000 @ 1.3276	11-Mar-2019	(212)
Bought CAD 11 427 Sold GBP 6 758 @ 1.6908	12-Mar-2019	(352)
Bought CAD 2 670 Sold USD 2 000 @ 1.3348	14-Mar-2019	(56)
Bought CAD 27 386 Sold DKK 133 440 @ 0.2052	15-Mar-2019	(704)
Bought CAD 1 322 Sold GBP 765 @ 1.7285	18-Mar-2019	(11)
Bought CAD 11 875 Sold USD 8 877 @ 1.3378	19-Mar-2019	(222)
		\$ (43 234)
TOTAL FOREIGN EXCHANGE		\$ 11 754

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.60% to 2.28% and mature between January 2, 2019 and April 4, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 6 068 762	\$ 7 006 666
Cash	5 867	291
Due from investment dealers	295	—
Subscriptions receivable	417	1 444
Unrealized gain on foreign exchange contracts	54 988	13 669
Dividends receivable, interest accrued and other assets	1 758	4 790
TOTAL ASSETS	6 132 087	7 026 860
LIABILITIES		
Due to investment dealers	592	998
Redemptions payable	730	484
Unrealized loss on foreign exchange contracts	43 234	19 656
Distributions payable	31	—
Accounts payable and accrued expenses	571	712
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	45 158	21 850
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 6 086 929	\$ 7 005 010
Investments at cost	\$ 6 024 598	\$ 5 940 216
NAV		
SERIES A	\$ 200 823	\$ 261 879
ADVISOR SERIES	\$ 6 205	\$ 8 753
SERIES T5	\$ 386	\$ 23
SERIES D	\$ 27 898	\$ 31 908
SERIES F	\$ 63 817	\$ 69 135
SERIES FT5	\$ 305	\$ 87
SERIES O	\$ 5 787 495	\$ 6 633 225
NAV PER UNIT		
SERIES A	\$ 19.82	\$ 23.52
ADVISOR SERIES	\$ 20.12	\$ 23.87
SERIES T5	\$ 19.46	\$ 23.43
SERIES D	\$ 20.06	\$ 23.81
SERIES F	\$ 21.33	\$ 25.31
SERIES FT5	\$ 21.00	\$ 24.99
SERIES O	\$ 20.20	\$ 23.99

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 211 874	\$ 179 556
Interest for distribution purposes	1 700	462
Derivative income	12 065	(23 983)
Net realized gain (loss) on investments	121 968	395 061
Change in unrealized gain (loss) on investments	(1 004 545)	712 975
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(656 938)	1 264 071
Other income (loss)	381	—
Securities lending revenue (see note 7 in the generic notes)	3 494	4 135
Net gain (loss) on foreign cash balances	621	(241)
TOTAL OTHER INCOME (LOSS)	4 496	3 894
TOTAL INCOME (LOSS)	(652 442)	1 267 965
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 274	5 288
Administration fees	1 923	1 893
Independent Review Committee costs	2	3
GST/HST	721	719
Transaction costs	11 125	12 785
Withholding tax	23 330	22 951
TOTAL EXPENSES	42 375	43 639
INCREASE (DECREASE) IN NAV	\$ (694 817)	\$ 1 224 326
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (29 809)	\$ 42 338
ADVISOR SERIES	\$ (1 075)	\$ 1 191
SERIES T5	\$ (62)	\$ 2
SERIES D	\$ (3 957)	\$ 4 552
SERIES F	\$ (9 925)	\$ 8 995
SERIES FT5	\$ (42)	\$ 1
SERIES O	\$ (649 947)	\$ 1 167 247
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.83)	\$ 3.79
ADVISOR SERIES	\$ (2.98)	\$ 3.63
SERIES T5	\$ (3.51)	\$ 0.64
SERIES D	\$ (2.79)	\$ 3.86
SERIES F	\$ (3.10)	\$ 4.16
SERIES FT5	\$ (3.13)	\$ 1.12
SERIES O	\$ (2.42)	\$ 4.41



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (694 817)	\$ 1 224 326
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(109 028)	(380 169)
Change in unrealized loss (gain) on investments	1 004 545	(712 975)
(Increase) decrease in accrued receivables	3 032	339
Increase (decrease) in accrued payables	(141)	96
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(6 020 750)	(5 156 616)
Proceeds from sale and maturity of investments	6 044 695	5 394 877
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	227 536	369 878
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	824 205	414 574
Cash paid on redemption of redeemable units	(1 043 220)	(778 160)
Distributions paid to holders of redeemable units	(2 945)	(6 294)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (221 960)	\$ (369 880)
Net increase (decrease) in cash for the period	5 576	(2)
Cash (bank overdraft), beginning of period	291	293
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 5 867	\$ 291
Interest received (paid)	\$ 1 595	\$ 421
Dividends received, net of withholding taxes	\$ 192 062	\$ 156 985

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 261 879	\$ 243 312	\$ 8 753	\$ 6 951	\$ 23	\$ —	\$ 31 908	\$ 23 828
INCREASE (DECREASE) IN NAV	(29 809)	42 338	(1 075)	1 191	(62)	2	(3 957)	4 552
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	20 479	28 175	1 677	2 809	430	72	8 925	12 816
Reinvestments of distributions to holders of redeemable units	7 402	8 671	185	190	22	1	1 261	1 333
Redemption of redeemable units	(51 617)	(51 822)	(3 082)	(2 087)	(5)	(50)	(8 938)	(9 261)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(23 736)	(14 976)	(1 220)	912	447	23	1 248	4 888
Distributions from net income	(2 062)	(378)	(74)	(19)	(3)	—	(539)	(329)
Distributions from net gains	(5 449)	(8 417)	(179)	(282)	(10)	(1)	(762)	(1 031)
Distributions from capital	—	—	—	—	(9)	(1)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7 511)	(8 795)	(253)	(301)	(22)	(2)	(1 301)	(1 360)
NET INCREASE (DECREASE) IN NAV	(61 056)	18 567	(2 548)	1 802	363	23	(4 010)	8 080
NAV AT END OF PERIOD	\$ 200 823	\$ 261 879	\$ 6 205	\$ 8 753	\$ 386	\$ 23	\$ 27 898	\$ 31 908

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 69 135	\$ 38 212	\$ 87	\$ —	\$ 6 633 225	\$ 5 836 619	\$ 7 005 010	\$ 6 148 922
INCREASE (DECREASE) IN NAV	(9 925)	8 995	(42)	1	(649 947)	1 167 247	(694 817)	1 224 326
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	39 439	36 140	396	87	778 606	357 646	849 952	437 745
Reinvestments of distributions to holders of redeemable units	2 232	1 517	10	2	335 611	357 772	346 723	369 486
Redemption of redeemable units	(33 876)	(12 525)	(129)	—	(972 593)	(723 944)	(1 070 240)	(799 689)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	7 795	25 132	277	89	141 624	(8 526)	126 435	7 542
Distributions from net income	(1 433)	(938)	(6)	—	(180 995)	(149 877)	(185 112)	(151 541)
Distributions from net gains	(1 755)	(2 266)	(8)	(3)	(156 412)	(212 238)	(164 575)	(224 238)
Distributions from capital	—	—	(3)	—	—	—	(12)	(1)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 188)	(3 204)	(17)	(3)	(337 407)	(362 115)	(349 699)	(375 780)
NET INCREASE (DECREASE) IN NAV	(5 318)	30 923	218	87	(845 730)	796 606	(918 081)	856 088
NAV AT END OF PERIOD	\$ 63 817	\$ 69 135	\$ 305	\$ 87	\$ 5 787 495	\$ 6 633 225	\$ 6 086 929	\$ 7 005 010

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in European stocks.

Series T5 and Series FT5 units were started February 15, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	43.2	36.3
Switzerland	10.9	6.9
Germany	8.9	12.7
Denmark	8.7	8.1
Netherlands	7.7	9.5
France	5.3	4.0
Ireland	4.6	7.6
Sweden	4.4	5.5
Finland	2.1	3.5
Spain	1.6	2.5
Italy	–	1.8
Cash/Other	2.6	1.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	44.6	45.9
Pound sterling	27.4	27.9
Swiss franc	13.8	12.7
United States dollar	5.8	5.2
Swedish krona	4.2	4.2
Danish krone	2.9	3.1
Norwegian krone	1.3	1.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Europe Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	105 584	5 823 041	–	5 928 625
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	140 137	–	140 137
Derivatives – assets	–	54 988	–	54 988
Derivatives – liabilities	–	(43 234)	–	(43 234)
Total financial instruments	105 584	5 974 932	–	6 080 516
% of total portfolio	1.7	98.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	185 845	6 705 498	–	6 891 343
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	115 323	–	115 323
Derivatives – assets	–	13 669	–	13 669
Derivatives – liabilities	–	(19 656)	–	(19 656)
Total financial instruments	185 845	6 814 834	–	7 000 679
% of total portfolio	2.7	97.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	52	49
Series FT5	49	47
Value of all units	2	2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	11 136	11 838
Issued number of units	883	1 221
Reinvested number of units	381	365
Redeemed number of units	(2 267)	(2 288)
Ending number of units	10 133	11 136
Advisor Series		
Opening units	367	333
Issued number of units	70	118
Reinvested number of units	9	8
Redeemed number of units	(138)	(92)
Ending number of units	308	367

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening units	1	—
Issued number of units	18	3
Reinvested number of units	1	—
Redeemed number of units	—	(2)
Ending number of units	20	1
Series D		
Opening units	1 340	1 145
Issued number of units	378	540
Reinvested number of units	64	56
Redeemed number of units	(391)	(401)
Ending number of units	1 391	1 340
Series F		
Opening units	2 731	1 726
Issued number of units	1 600	1 457
Reinvested number of units	107	59
Redeemed number of units	(1 446)	(511)
Ending number of units	2 992	2 731
Series FT5		
Opening units	3	—
Issued number of units	18	3
Reinvested number of units	—	—
Redeemed number of units	(6)	—
Ending number of units	15	3
Series O		
Opening units	276 457	278 098
Issued number of units	34 111	15 364
Reinvested number of units	16 959	14 788
Redeemed number of units	(40 992)	(31 793)
Ending number of units	286 535	276 457

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	11 125	100	12 785	100
Related-party brokerage commissions*	306	3	527	4
Commission arrangements [†]	3 490	31	6 321	49

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	199 621	403 406
Fair value of collateral received	203 613	411 474

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	4 664	100	5 625	100
RBC IS (paid)	(1 167)	(25)	(1 490)	(26)
Tax withheld	(3)	—	—	—
Fund revenue	3 494	75	4 135	74

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC European Equity Class	0.1	0.7
RBC Retirement 2020 Portfolio	—	—
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Select Aggressive Growth Portfolio	3.2	3.4
RBC Select Balanced Portfolio	27.2	28.9
RBC Select Conservative Portfolio	34.6	30.0
RBC Select Growth Portfolio	9.6	11.1
RBC Select Very Conservative Portfolio	8.7	8.9
RBC Target 2020 Education Fund	0.2	0.3
RBC Target 2025 Education Fund	1.1	1.0
RBC Target 2030 Education Fund	1.1	0.9
RBC Target 2035 Education Fund	0.1	—
Total	85.9	85.2

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	54 988	(43 234)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	54 988	(43 234)
Related amounts not set-off	(31 992)	31 992
Collateral (received) pledged	(9 593)	156
Net amount	13 403	(11 086)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	13 669	(19 656)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	13 669	(19 656)
Related amounts not set-off	(10 063)	10 063
Collateral (received) pledged	(906)	1 030
Net amount	2 700	(8 563)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EUROPEAN MID-CAP EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EUROPEAN EQUITIES				
Denmark				
112 567	Christian Hansen Holding A/S	\$ 14 204	\$ 13 608	
60 581	Coloplast A/S	8 032	7 679	
123 952	DSV A/S	14 568	11 133	
165 824	Novozymes A/S	11 290	10 102	
105 631	Pandora A/S	8 458	5 887	
238 787	Topdanmark A/S	13 525	15 214	
		<u>70 077</u>	<u>63 623</u>	11.3
France				
220 026	Bureau Veritas S.A.	7 195	6 121	
54 498	EssilorLuxottica	9 883	9 431	
97 609	Gaztransport Et Technigaz S.A.	9 320	10 247	
72 814	Sartorius Stedim Biotech	11 976	9 952	
		<u>38 374</u>	<u>35 751</u>	6.4
Germany				
76 882	Brenntag AG	5 945	4 581	
96 786	Stabilus S.A.	10 655	8 397	
103 583	Symrise AG	12 020	10 491	
		<u>28 620</u>	<u>23 469</u>	4.2
Ireland				
95 449	Kerry Group Plc.	13 656	12 762	
152 346	Paddy Power Betfair Plc.	17 852	16 987	
111 417	Ryanair Holdings Plc. ADR	13 401	10 851	
		<u>44 909</u>	<u>40 600</u>	7.2
Italy				
270 811	Moncler S.p.A.	14 809	12 303	
232 234	Recordati S.p.A.	10 441	10 979	
		<u>25 250</u>	<u>23 282</u>	4.1
Netherlands				
284 927	Intertrust N.V.	6 678	6 530	
		<u>6 678</u>	<u>6 530</u>	1.2
Norway				
181 125	TGS Nopec Geophysical Co. ASA	8 555	5 974	
612 283	Veidekke ASA	8 375	9 362	
		<u>16 930</u>	<u>15 336</u>	2.7
Spain				
325 744	Grifols S.A.	11 946	11 674	
508 617	Red Electrica Corp. S.A.	14 062	15 484	
73 169	Viscofan S.A.	6 789	5 508	
		<u>32 797</u>	<u>32 666</u>	5.8
Sweden				
492 533	Alimak Group AB	9 014	8 335	
355 883	Assa Abloy AB	9 317	8 674	
984 180	Dometic Group AB	11 133	8 413	
847 893	Hexpol AB	11 452	9 216	
		<u>40 916</u>	<u>34 638</u>	6.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Switzerland				
79 257	Cembra Money Bank AG	\$ 9 293	\$ 8 585	
10 890	Geberit AG	6 347	5 790	
9 695	Partners Group Holding AG	9 711	8 052	
68 610	Sika AG	12 607	11 898	
73 993	VAT Group AG	11 318	8 895	
		<u>49 276</u>	<u>43 220</u>	7.7
United Kingdom				
401 810	Abcam Plc.	9 359	7 636	
449 608	Ashtead Group Plc.	16 818	12 804	
1 532 971	Auto Trader Group Plc.	11 362	12 145	
1 338 020	Barratt Developments Plc.	12 470	10 775	
285 297	Cranswick Plc.	15 501	13 081	
136 258	DCC Plc.	15 506	14 190	
692 826	Dunelm Group Plc.	6 446	6 523	
240 015	Fevertree Drinks Plc.	14 303	9 188	
392 581	Halma Plc.	9 297	9 337	
296 040	Hargreaves Lansdown Plc.	10 715	9 532	
3 672 154	Hays Plc.	12 371	8 949	
1 470 911	Howden Joinery Group Plc.	11 845	11 142	
2 990 533	Ibstock Plc.	12 269	10 352	
206 134	InterContinental Hotels Group Plc.	16 142	15 222	
199 499	London Stock Exchange Group Plc.	15 381	14 130	
336 201	Micro Focus International Plc.	7 907	8 041	
1 539 854	Moneysupermarket.com Group Plc.	7 410	7 381	
1 553 967	OneSavings Bank Plc.	10 356	9 463	
958 557	Playtech Plc.	8 160	6 423	
260 542	Rathbone Brothers Plc.	11 092	10 615	
1 344 913	Rightmove Plc.	10 739	10 119	
1 716 827	Rotork Plc.	9 374	7 401	
		<u>254 823</u>	<u>224 449</u>	40.0
TOTAL EUROPEAN EQUITIES		<u>608 650</u>	<u>543 564</u>	96.8
SHORT-TERM INVESTMENTS*		<u>15 680</u>	<u>15 680</u>	2.8
TOTAL INVESTMENTS		<u>624 330</u>	<u>559 244</u>	99.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	8 442	1.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(6 263)	(1.1)
TOTAL PORTFOLIO		<u>\$ 624 330</u>	<u>561 423</u>	100.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			138	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 561 561</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 6 Sold USD 5 @ 1.2906	04-Jan-2019	\$ —
Bought EUR 992 Sold CAD 1 512 @ 0.6560	11-Jan-2019	40
Bought SEK 6 000 Sold CAD 902 @ 6.6503	11-Jan-2019	22
Bought EUR 20 325 Sold CAD 30 299 @ 0.6708	16-Jan-2019	1 521
Bought EUR 1 000 Sold CAD 1 512 @ 0.6612	16-Jan-2019	53
Bought USD 225 Sold CAD 301 @ 0.7465	16-Jan-2019	6
Bought EUR 184 Sold CAD 278 @ 0.6625	17-Jan-2019	10
Bought USD 8 997 Sold EUR 7 723 @ 1.1650	17-Jan-2019	187
Bought DKK 5 000 Sold CAD 1 030 @ 4.8527	18-Jan-2019	18
Bought EUR 1 000 Sold CAD 1 501 @ 0.6663	18-Jan-2019	65
Bought CAD 481 Sold NOK 3 031 @ 0.1586	23-Jan-2019	2
Bought CAD 475 Sold NOK 3 000 @ 0.1585	23-Jan-2019	2
Bought CHF 3 769 Sold CAD 4 994 @ 0.7546	23-Jan-2019	248
Bought DKK 5 000 Sold CAD 1 023 @ 4.8856	24-Jan-2019	26
Bought CAD 67 Sold NOK 428 @ 0.1570	25-Jan-2019	—
Bought CHF 3 473 Sold CAD 4 562 @ 0.7612	25-Jan-2019	269
Bought DKK 2 134 Sold CAD 429 @ 4.9713	25-Jan-2019	19
Bought EUR 48 Sold CAD 72 @ 0.6701	25-Jan-2019	4
Bought EUR 78 Sold CAD 117 @ 0.6685	25-Jan-2019	6
Bought EUR 1 000 Sold CAD 1 503 @ 0.6656	25-Jan-2019	64
Bought EUR 14 000 Sold CAD 21 121 @ 0.6628	25-Jan-2019	809
Bought EUR 700 Sold CAD 1 093 @ 0.6403	25-Jan-2019	3
Bought EUR 41 Sold CAD 62 @ 0.6607	28-Jan-2019	2
Bought CAD 151 Sold NOK 947 @ 0.1596	29-Jan-2019	2
Bought CHF 890 Sold CAD 1 173 @ 0.7585	29-Jan-2019	65
Bought CHF 700 Sold CAD 952 @ 0.7353	29-Jan-2019	22
Bought EUR 35 Sold CAD 53 @ 0.6603	29-Jan-2019	2
Bought SEK 4 556 Sold CAD 673 @ 6.7650	29-Jan-2019	29
Bought SEK 5 000 Sold CAD 739 @ 6.7630	29-Jan-2019	32
Bought EUR 297 Sold CAD 450 @ 0.6590	31-Jan-2019	15
Bought GBP 250 Sold CAD 425 @ 0.5883	31-Jan-2019	10
Bought GBP 2 000 Sold CAD 3 409 @ 0.5866	31-Jan-2019	73
Bought USD 7 Sold CAD 9 @ 0.7660	04-Feb-2019	—
Bought USD 500 Sold CAD 669 @ 0.7470	04-Feb-2019	13
Bought EUR 1 500 Sold CAD 2 284 @ 0.6568	05-Feb-2019	67
Bought EUR 18 255 Sold CAD 27 421 @ 0.6657	06-Feb-2019	1 194
Bought EUR 500 Sold CAD 782 @ 0.6397	06-Feb-2019	2
Bought GBP 13 Sold CAD 22 @ 0.5791	06-Feb-2019	—
Bought EUR 2 900 Sold CAD 4 372 @ 0.6633	11-Feb-2019	175
Bought GBP 1 800 Sold CAD 3 061 @ 0.5881	13-Feb-2019	75
Bought DKK 3 000 Sold CAD 612 @ 4.8992	15-Feb-2019	18
Bought SEK 6 370 Sold CAD 945 @ 6.7410	15-Feb-2019	39
Bought SEK 5 000 Sold CAD 740 @ 6.7556	15-Feb-2019	32
Bought CHF 594 Sold CAD 795 @ 0.7471	20-Feb-2019	33
Bought EUR 18 770 Sold CAD 28 422 @ 0.6604	20-Feb-2019	1 025
Bought CHF 1 240 Sold CAD 1 667 @ 0.7439	21-Feb-2019	61
Bought DKK 3 000 Sold CAD 606 @ 4.9498	22-Feb-2019	25
Bought DKK 5 000 Sold CAD 1 043 @ 4.7931	22-Feb-2019	8
Bought EUR 117 Sold CAD 177 @ 0.6625	22-Feb-2019	7
Bought GBP 2 800 Sold CAD 4 771 @ 0.5869	22-Feb-2019	108
Bought SEK 5 000 Sold CAD 751 @ 6.6569	25-Feb-2019	21
Bought GBP 3 100 Sold CAD 5 277 @ 0.5875	26-Feb-2019	125
Bought GBP 1 000 Sold CAD 1 688 @ 0.5925	26-Feb-2019	55

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 19 062 Sold CAD 28 831 @ 0.6612	01-Mar-2019	\$ 1 090
Bought DKK 5 000 Sold CAD 1 038 @ 4.8157	05-Mar-2019	13
Bought GBP 1 200 Sold CAD 2 017 @ 0.5950	06-Mar-2019	75
Bought EUR 4 790 Sold CAD 7 221 @ 0.6634	07-Mar-2019	301
Bought CHF 2 536 Sold CAD 3 387 @ 0.7488	08-Mar-2019	152
Bought EUR 70 Sold CAD 107 @ 0.6548	08-Mar-2019	3
Bought CHF 2 004 Sold CAD 2 737 @ 0.7321	13-Mar-2019	60
Bought CHF 1 171 Sold CAD 1 600 @ 0.7318	13-Mar-2019	32
Bought EUR 83 Sold CAD 127 @ 0.6560	13-Mar-2019	4
Bought CAD 874 Sold GBP 500 @ 1.7488	18-Mar-2019	3
		\$ 8 442

Contracts	Maturity Date	Unrealized Loss
Bought CAD 86 Sold DKK 430 @ 0.1999	09-Jan-2019	\$ (4)
Bought CAD 41 Sold SEK 274 @ 0.1482	11-Jan-2019	(2)
Bought CAD 1 515 Sold EUR 1 000 @ 1.5150	11-Jan-2019	(50)
Bought CAD 32 Sold USD 25 @ 1.2771	14-Jan-2019	(2)
Bought CAD 1 691 Sold USD 1 303 @ 1.2980	16-Jan-2019	(87)
Bought CAD 37 Sold DKK 182 @ 0.2037	16-Jan-2019	(1)
Bought CAD 499 Sold EUR 330 @ 1.5132	16-Jan-2019	(17)
Bought CAD 2 317 Sold EUR 1 500 @ 1.5444	16-Jan-2019	(32)
Bought CAD 47 Sold GBP 28 @ 1.6702	17-Jan-2019	(2)
Bought CAD 91 Sold DKK 452 @ 0.2013	17-Jan-2019	(4)
Bought CAD 577 Sold SEK 4 000 @ 0.1442	17-Jan-2019	(40)
Bought USD 2 952 Sold EUR 2 600 @ 1.1353	17-Jan-2019	(42)
Bought CAD 24 Sold USD 19 @ 1.2808	18-Jan-2019	(2)
Bought CAD 8 220 Sold DKK 41 187 @ 0.1996	18-Jan-2019	(418)
Bought CAD 787 Sold EUR 524 @ 1.5008	18-Jan-2019	(34)
Bought CAD 758 Sold EUR 500 @ 1.5163	18-Jan-2019	(25)
Bought CAD 16 344 Sold GBP 9 610 @ 1.7008	22-Jan-2019	(386)
Bought CAD 1 540 Sold GBP 900 @ 1.7115	22-Jan-2019	(26)
Bought CAD 228 Sold GBP 134 @ 1.7045	22-Jan-2019	(5)
Bought CAD 40 Sold USD 31 @ 1.2891	23-Jan-2019	(2)
Bought CAD 22 Sold SEK 148 @ 0.1459	23-Jan-2019	(1)
Bought CAD 3 229 Sold GBP 1 919 @ 1.6830	23-Jan-2019	(111)
Bought CAD 155 Sold NOK 1 000 @ 0.1547	23-Jan-2019	(3)
Bought CAD 325 Sold GBP 190 @ 1.7088	24-Jan-2019	(6)
Bought CAD 2 140 Sold GBP 1 250 @ 1.7121	24-Jan-2019	(36)
Bought CAD 1 218 Sold DKK 6 000 @ 0.2030	24-Jan-2019	(41)
Bought CAD 1 708 Sold GBP 1 000 @ 1.7076	24-Jan-2019	(34)
Bought CAD 1 458 Sold USD 1 100 @ 1.3250	24-Jan-2019	(43)
Bought CAD 5 431 Sold EUR 3 624 @ 1.4987	25-Jan-2019	(245)
Bought CAD 13 824 Sold GBP 8 207 @ 1.6844	25-Jan-2019	(466)
Bought CAD 2 424 Sold EUR 1 600 @ 1.5152	25-Jan-2019	(82)
Bought CAD 747 Sold GBP 440 @ 1.6972	25-Jan-2019	(19)
Bought CAD 3 046 Sold EUR 2 000 @ 1.5229	25-Jan-2019	(87)
Bought CAD 172 Sold GBP 100 @ 1.7160	25-Jan-2019	(3)
Bought CAD 9 432 Sold DKK 46 862 @ 0.2013	28-Jan-2019	(403)
Bought CAD 2 143 Sold GBP 1 250 @ 1.7143	28-Jan-2019	(34)
Bought CAD 401 Sold DKK 2 000 @ 0.2004	28-Jan-2019	(19)
Bought CAD 2 020 Sold GBP 1 200 @ 1.6834	28-Jan-2019	(69)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 117 Sold SEK 7 640 @ 0.1462	29-Jan-2019	\$ (62)
Bought USD 9 837 Sold EUR 8 629 @ 1.1401	30-Jan-2019	(101)
Bought CAD 7 285 Sold GBP 4 254 @ 1.7124	31-Jan-2019	(123)
Bought CAD 2 252 Sold EUR 1 500 @ 1.5016	31-Jan-2019	(98)
Bought CAD 15 314 Sold GBP 9 000 @ 1.7015	31-Jan-2019	(359)
Bought CAD 1 691 Sold GBP 1 000 @ 1.6913	31-Jan-2019	(50)
Bought CAD 136 Sold USD 104 @ 1.3098	05-Feb-2019	(6)
Bought CAD 1 004 Sold EUR 667 @ 1.5051	05-Feb-2019	(42)
Bought CAD 303 Sold EUR 200 @ 1.5173	05-Feb-2019	(10)
Bought CAD 4 146 Sold EUR 2 700 @ 1.5357	05-Feb-2019	(86)
Bought CAD 7 901 Sold DKK 39 274 @ 0.2012	06-Feb-2019	(346)
Bought CAD 13 Sold USD 10 @ 1.3104	07-Feb-2019	(1)
Bought CAD 1 555 Sold EUR 1 000 @ 1.5553	11-Feb-2019	(13)
Bought CAD 37 Sold USD 28 @ 1.3089	12-Feb-2019	(2)
Bought CAD 659 Sold EUR 439 @ 1.5018	14-Feb-2019	(29)
Bought CAD 60 Sold DKK 297 @ 0.2016	15-Feb-2019	(3)
Bought CAD 980 Sold SEK 6 667 @ 0.1470	15-Feb-2019	(50)
Bought CAD 121 Sold NOK 783 @ 0.1549	15-Feb-2019	(2)
Bought CAD 1 180 Sold SEK 8 000 @ 0.1475	15-Feb-2019	(56)
Bought CAD 2 888 Sold USD 2 200 @ 1.3127	21-Feb-2019	(112)
Bought CAD 6 283 Sold DKK 31 000 @ 0.2027	22-Feb-2019	(233)
Bought CAD 59 Sold NOK 378 @ 0.1564	22-Feb-2019	(1)
Bought CAD 2 050 Sold EUR 1 356 @ 1.5117	25-Feb-2019	(78)
Bought CAD 1 510 Sold SEK 10 322 @ 0.1463	25-Feb-2019	(85)
Bought CAD 430 Sold SEK 2 925 @ 0.1468	25-Feb-2019	(22)
Bought CAD 18 629 Sold GBP 10 964 @ 1.6991	28-Feb-2019	(477)
Bought CAD 12 156 Sold GBP 7 173 @ 1.6948	01-Mar-2019	(343)
Bought CAD 7 308 Sold DKK 35 727 @ 0.2046	05-Mar-2019	(207)
Bought CAD 1 822 Sold GBP 1 060 @ 1.7190	06-Mar-2019	(25)
Bought CAD 3 827 Sold EUR 2 500 @ 1.5308	06-Mar-2019	(99)
Bought CAD 2 448 Sold USD 1 858 @ 1.3177	08-Mar-2019	(84)
Bought CAD 1 375 Sold USD 1 036 @ 1.3276	11-Mar-2019	(37)
Bought CAD 2 506 Sold GBP 1 482 @ 1.6908	12-Mar-2019	(78)
Bought CAD 955 Sold CHF 700 @ 1.3639	13-Mar-2019	(22)
Bought CAD 157 Sold DKK 764 @ 0.2052	15-Mar-2019	(4)
Bought CAD 483 Sold GBP 285 @ 1.6941	18-Mar-2019	(14)
Bought CAD 1 050 Sold NOK 6 776 @ 0.1549	18-Mar-2019	(20)
		\$ (6 263)
TOTAL FOREIGN EXCHANGE		\$ 2 179

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.61% to 2.25% and mature between January 2, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 559 244	\$ 10 781
Cash	16	15
Subscriptions receivable	11	15
Unrealized gain on foreign exchange contracts	8 442	29
Dividends receivable, interest accrued and other assets	128	2
TOTAL ASSETS	567 841	10 842
LIABILITIES		
Redemptions payable	–	6
Unrealized loss on foreign exchange contracts	6 263	36
Accounts payable and accrued expenses	17	1
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	6 280	43
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 561 561	\$ 10 799
Investments at cost	\$ 624 330	\$ 8 728
NAV		
SERIES A	\$ 929	\$ 496
ADVISOR SERIES	\$ 2 156	\$ 120
SERIES D	\$ 688	\$ 490
SERIES F	\$ 994	\$ 294
SERIES O	\$ 556 794	\$ 9 399
NAV PER UNIT		
SERIES A	\$ 10.49	\$ 11.64
ADVISOR SERIES	\$ 10.53	\$ 11.67
SERIES D	\$ 10.70	\$ 11.77
SERIES F	\$ 10.78	\$ 11.82
SERIES O	\$ 10.18	\$ 11.12

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3 192	\$ 164
Interest for distribution purposes	70	1
Derivative income	(1 429)	20
Net realized gain (loss) on investments	(1 011)	(4)
Change in unrealized gain (loss) on investments	(64 953)	1 336
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(64 131)	1 517
Other income (loss)	1	–
Securities lending revenue (see note 7 in the generic notes)	15	2
Net gain (loss) on foreign cash balances	1 224	4
TOTAL OTHER INCOME (LOSS)	1 240	6
TOTAL INCOME (LOSS)	(62 891)	1 523
EXPENSES (see notes – Fund Specific Information)		
Management fees	62	10
Administration fees	35	2
Independent Review Committee costs	2	3
GST/HST	8	1
Transaction costs	1 823	18
Withholding tax	218	19
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	2 147	50
INCREASE (DECREASE) IN NAV	\$ (65 038)	\$ 1 473
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (108)	\$ 36
ADVISOR SERIES	\$ (268)	\$ 17
SERIES D	\$ (105)	\$ 54
SERIES F	\$ (136)	\$ 18
SERIES O	\$ (64 421)	\$ 1 348
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.44)	\$ 1.56
ADVISOR SERIES	\$ (1.86)	\$ 1.93
SERIES D	\$ (1.31)	\$ 2.06
SERIES F	\$ (1.66)	\$ 1.95
SERIES O	\$ (4.39)	\$ 2.10



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (65 038)	\$ 1 473
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	1 023	6
Change in unrealized loss (gain) on investments	64 953	(1 336)
(Increase) decrease in accrued receivables	(126)	—
Increase (decrease) in accrued payables	16	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 564 343)	(56 735)
Proceeds from sale and maturity of investments	947 718	51 476
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(615 797)	(5 115)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	625 217	6 095
Cash paid on redemption of redeemable units	(9 419)	(963)
Distributions paid to holders of redeemable units	—	(5)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 615 798	\$ 5 127
Net increase (decrease) in cash for the period	1	12
Cash (bank overdraft), beginning of period	15	3
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 16	\$ 15
Interest received (paid)	\$ 61	\$ 1
Dividends received, net of withholding taxes	\$ 2 857	\$ 145

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 496	\$ 11	\$ 120	\$ 1	\$ 490	\$ 50	\$ 294	\$ 1
INCREASE (DECREASE) IN NAV	(108)	36	(268)	17	(105)	54	(136)	18
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	1 198	631	2 403	174	1 308	784	1 352	329
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(657)	(182)	(99)	(72)	(1 005)	(398)	(516)	(54)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	541	449	2 304	102	303	386	836	275
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	433	485	2 036	119	198	440	700	293
NAV AT END OF PERIOD	\$ 929	\$ 496	\$ 2 156	\$ 120	\$ 688	\$ 490	\$ 994	\$ 294

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 9 399	\$ 4 128	\$ 10 799	\$ 4 191
INCREASE (DECREASE) IN NAV	(64 421)	1 348	(65 038)	1 473
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	619 082	4 351	625 343	6 269
Reinvestments of distributions to holders of redeemable units	2 878	576	2 878	576
Redemption of redeemable units	(7 266)	(423)	(9 543)	(1 129)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	614 694	4 504	618 678	5 716
Distributions from net income	(2 878)	(581)	(2 878)	(581)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 878)	(581)	(2 878)	(581)
NET INCREASE (DECREASE) IN NAV	547 395	5 271	550 762	6 608
NAV AT END OF PERIOD	\$ 556 794	\$ 9 399	\$ 561 561	\$ 10 799

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of European mid-cap companies.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	40.0	39.1
Denmark	11.3	10.3
Switzerland	7.7	9.8
Ireland	7.2	6.7
France	6.4	5.1
Sweden	6.2	4.6
Spain	5.8	4.1
Germany	4.2	5.8
Italy	4.1	4.5
Norway	2.7	4.1
Netherlands	1.2	0.9
Belgium	—	0.4
Cash/Other	3.2	4.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	42.2	44.5
Pound sterling	27.6	28.0
Swiss franc	11.6	10.2
Swedish krona	5.9	5.2
United States dollar	5.5	4.8
Danish krone	4.7	4.9
Norwegian krone	2.3	2.1
Total	99.8	99.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Europe Mid Cap Total Return		
Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	10 851	532 713	—	543 564
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	15 680	—	15 680
Derivatives – assets	—	8 442	—	8 442
Derivatives – liabilities	—	(6 263)	—	(6 263)
Total financial instruments	10 851	550 572	—	561 423
% of total portfolio	1.9	98.1	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	178	10 123	—	10 301
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	480	—	480
Derivatives – assets	—	29	—	29
Derivatives – liabilities	—	(36)	—	(36)
Total financial instruments	178	10 596	—	10 774
% of total portfolio	1.7	98.3	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	100	100
Advisor Series	100	100
Series D	100	100
Series F	100	100
Series O	–	337 425
Value of all units	4	3 757

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	415
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	43	1
Issued number of units	102	59
Reinvested number of units	–	–
Redeemed number of units	(56)	(17)
Ending number of units	89	43

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	10	–
Issued number of units	203	17
Reinvested number of units	–	–
Redeemed number of units	(8)	(7)
Ending number of units	205	10
Series D		
Opening units	42	5
Issued number of units	108	73
Reinvested number of units	–	–
Redeemed number of units	(86)	(36)
Ending number of units	64	42
Series F		
Opening units	25	–
Issued number of units	112	30
Reinvested number of units	–	–
Redeemed number of units	(45)	(5)
Ending number of units	92	25
Series O		
Opening units	845	466
Issued number of units	54 201	419
Reinvested number of units	290	2
Redeemed number of units	(663)	(42)
Ending number of units	54 673	845

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 823	100	18	100
Related-party brokerage commissions*	17	1	1	6
Commission arrangements†	142	8	3	17

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	27 986	1 357
Fair value of collateral received	28 546	1 384

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	20	100	3	100
RBC IS (paid)	(5)	(25)	(1)	(26)
Tax withheld	—	—	—	—
Fund revenue	15	75	2	74

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Global Growth & Income Fund	2.4	37.3
RBC Retirement 2045 Portfolio	—	0.9
RBC Retirement 2050 Portfolio	—	0.6
RBC Select Aggressive Growth Portfolio	12.2	—
RBC Select Balanced Portfolio	58.9	—
RBC Select Growth Portfolio	25.7	—
RBC Total Return Growth Fund	—	0.2
Total	99.2	39.0

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	8 442	(6 263)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	8 442	(6 263)
Related amounts not set-off	(6 045)	6 045
Collateral (received) pledged	(179)	—
Net amount	2 218	(218)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	29	(36)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	29	(36)
Related amounts not set-off	(21)	21
Collateral (received) pledged	—	—
Net amount	8	(15)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC ASIAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
3 862 048	RBC Asia Pacific ex-Japan Equity Fund*	\$ 43 134	\$ 44 745	
2 363 345	RBC Japanese Equity Fund*	26 942	27 123	
TOTAL UNDERLYING FUNDS		<u>\$ 70 076</u>	71 868	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(9)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 71 859</u>	100.0

* Investment in related party (see note 8 in the generic notes).



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 71 868	\$ 75 292
Cash	–	21
Due from investment dealers	150	–
Subscriptions receivable	17	26
TOTAL ASSETS	72 035	75 339
LIABILITIES		
Bank overdraft	49	–
Due to investment dealers	–	100
Redemptions payable	20	13
Accounts payable and accrued expenses	107	114
TOTAL LIABILITIES EXCLUDING NET ASSETS		
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	176	227
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 71 859	\$ 75 112
Investments at cost	\$ 70 076	\$ 62 447
NAV		
SERIES A	\$ 52 978	\$ 60 456
ADVISOR SERIES	\$ 587	\$ 398
SERIES D	\$ 9 575	\$ 8 805
SERIES F	\$ 8 684	\$ 5 426
SERIES O	\$ 35	\$ 27
NAV PER UNIT		
SERIES A	\$ 11.70	\$ 12.47
ADVISOR SERIES	\$ 11.74	\$ 12.52
SERIES D	\$ 12.10	\$ 12.79
SERIES F	\$ 13.20	\$ 13.92
SERIES O	\$ 12.33	\$ 12.89

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ –	\$ (1)
Income from investment trusts	6 215	2 881
Derivative income	–	(45)
Net realized gain (loss) on investments	1 313	1 028
Change in unrealized gain (loss) on investments	(11 053)	12 405
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 525)	16 268
Other income (loss)	75	–
TOTAL OTHER INCOME (LOSS)	75	–
TOTAL INCOME (LOSS)	(3 450)	16 268
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 215	1 117
Administration fees	40	33
Independent Review Committee costs	2	3
GST/HST	125	115
Withholding tax	–	(10)
TOTAL EXPENSES	1 382	1 258
INCREASE (DECREASE) IN NAV	\$ (4 832)	\$ 15 010
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (3 588)	\$ 12 560
ADVISOR SERIES	\$ (52)	\$ 74
SERIES D	\$ (628)	\$ 1 667
SERIES F	\$ (562)	\$ 706
SERIES O	\$ (2)	\$ 3
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.76)	\$ 2.47
ADVISOR SERIES	\$ (0.99)	\$ 2.44
SERIES D	\$ (0.79)	\$ 2.54
SERIES F	\$ (1.01)	\$ 2.68
SERIES O	\$ (0.69)	\$ 2.57



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (4 832)	\$ 15 010
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(6 215)	(2 881)
Net realized loss (gain) on investments	(1 313)	(1 028)
Change in unrealized loss (gain) on investments	11 053	(12 405)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(7)	14
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(20 139)	(9 059)
Proceeds from sale and maturity of investments	19 788	13 909
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1 665)	3 560
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	13 374	6 791
Cash paid on redemption of redeemable units	(11 779)	(10 266)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 1 595	\$ (3 475)
Net increase (decrease) in cash for the period	(70)	85
Cash (bank overdraft), beginning of period	21	(64)
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (49)	\$ 21
Interest received (paid)	\$ —	\$ (1)
Dividends received, net of withholding taxes	\$ —	\$ 10

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 60 456	\$ 54 687	\$ 398	\$ 313	\$ 8 805	\$ 6 401	\$ 5 426	\$ 2 129
INCREASE (DECREASE) IN NAV	(3 588)	12 560	(52)	74	(628)	1 667	(562)	706
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	6 496	3 188	431	61	4 211	2 394	5 246	3 211
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(10 386)	(9 979)	(190)	(50)	(2 813)	(1 657)	(1 426)	(620)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 890)	(6 791)	241	11	1 398	737	3 820	2 591
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(7 478)	5 769	189	85	770	2 404	3 258	3 297
NAV AT END OF PERIOD	\$ 52 978	\$ 60 456	\$ 587	\$ 398	\$ 9 575	\$ 8 805	\$ 8 684	\$ 5 426

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 27	\$ 6	\$ 75 112	\$ 63 536
INCREASE (DECREASE) IN NAV	(2)	3	(4 832)	15 010
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	10	23	16 394	8 877
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	—	(5)	(14 815)	(12 311)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10	18	1 579	(3 434)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	8	21	(3 253)	11 576
NAV AT END OF PERIOD	\$ 35	\$ 27	\$ 71 859	\$ 75 112

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns 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”).

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Asian (excluding Japan) Equity Funds	62.3	62.2
Japanese Equity Funds	37.7	37.8
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Japanese yen	37.7	37.7
Hong Kong dollar	16.7	13.0
Australian dollar	9.6	10.7
Indian rupee	8.7	6.5
South Korean won	8.2	10.4
New Taiwan dollar	4.6	5.6
United States dollar	4.3	7.3
Indonesian rupiah	4.1	4.3
Thailand baht	1.7	2.5
Philippine peso	1.2	0.5
Chinese renminbi	1.0	–
Singapore dollar	0.8	–
New Zealand dollar	0.7	1.2
Vietnam dong	0.7	–
Other currencies	–	0.2
Total	100.0	99.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI AC Pacific Free Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	71 868	–	–	71 868
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	71 868	–	–	71 868
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	75 143	–	–	75 143
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	149	–	149
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	75 143	149	–	75 292
% of total portfolio	99.8	0.2	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.05%
Advisor Series	1.75%	0.05%
Series D	1.00%	0.05%
Series F	0.75%	0.05%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	52	52
Value of all units	1	1

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Asia Pacific ex-Japan Equity Fund	62.3	2.1	62.2	2.3
RBC Japanese Equity Fund	37.7	2.2	37.8	2.3

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	114 066
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	4 847	5 456
Issued number of units	508	277
Reinvested number of units	—	—
Redeemed number of units	(826)	(886)
Ending number of units	4 529	4 847
Advisor Series		
Opening units	32	31
Issued number of units	33	6
Reinvested number of units	—	—
Redeemed number of units	(15)	(5)
Ending number of units	50	32
Series D		
Opening units	688	628
Issued number of units	321	202
Reinvested number of units	—	—
Redeemed number of units	(217)	(142)
Ending number of units	792	688
Series F		
Opening units	390	192
Issued number of units	370	247
Reinvested number of units	—	—
Redeemed number of units	(102)	(49)
Ending number of units	658	390
Series O		
Opening units	2	1
Issued number of units	1	1
Reinvested number of units	—	—
Redeemed number of units	—	—
Ending number of units	3	2



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC ASIA PACIFIC EX-JAPAN EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
ASIAN EQUITIES				
Australia				
616 346	Afterpay Touch Group Ltd.	\$ 9 188	\$ 7 360	
812 132	Aristocrat Leisure Ltd.	18 362	17 067	
3 204 153	Challenger Ltd.	37 838	29 245	
169 425	Cochlear Limited	22 865	28 341	
679 885	Commonwealth Bank of Australia	54 402	47 345	
1 201 616	Computershare Ltd.	21 466	19 882	
490 386	CSL Ltd.	52 078	87 445	
1 513 295	James Hardie Industries Plc., Subscription Receipts	23 821	22 508	
2 390 055	NEXTDC Ltd.	14 374	14 059	
4 320 523	Oil Search Ltd.	32 175	29 710	
10 164 357	Telstra Corp. Ltd.	30 652	27 848	
		317 221	330 810	15.3
China				
97 428 000	Bank of China Ltd.	66 079	57 340	
649 200	Baozun Inc. ADR	45 135	25 888	
1 055 800	BeiGene Ltd.	18 515	15 400	
39 000	BeiGene Ltd. ADR	6 524	7 479	
1 881 802	China Literature Ltd.	20 729	11 909	
12 416 000	China Unicom Hong Kong Ltd.	23 607	18 059	
2 692 610	Han's Laser Technology Industry Group Co. Ltd.	25 026	16 326	
11 795 000	IMAX China Holding Inc.	37 415	42 716	
2 451 160	Midea Group Co. Ltd.	25 464	18 074	
85 538	Netease.com ADR	29 224	27 486	
13 231 739	Nexteer Automotive Group Ltd.	17 756	25 747	
5 774 500	Ping An Insurance Group Company of China Ltd.	56 748	69 547	
2 730 000	Shenzhou International Group Holdings Ltd.	26 571	42 360	
2 657 800	Tencent Holdings Ltd.	91 808	145 429	
680	Tencent Music Entertainment Group ADR	13	12	
2 459 500	Wuxi Biologics Cayman Inc.	23 824	21 451	
		514 438	545 223	25.3
Hong Kong				
5 706 800	AIA Group Ltd.	37 971	64 718	
2 615 000	CK Infrastructure Holdings Ltd.	26 222	27 017	
940 200	Hong Kong Exchanges and Clearing Ltd.	37 742	37 106	
		101 935	128 841	6.0

Holdings	Security	Cost	Fair Value	% of Net Assets
India				
657 459	Bajaj Finance Ltd.	\$ 22 011	\$ 33 972	
1 052 892	Future Retail Ltd.	10 681	10 327	
1 663 461	Havells India Ltd.	20 323	22 471	
1 355 771	HCL Technologies Ltd.	25 453	25 576	
1 724 406	HDFC Bank Ltd.	53 092	71 613	
815 915	Hindustan Unilever Ltd.	17 102	29 024	
836 301	Indiabulls Housing Finance Ltd.	10 192	13 946	
13 476 850	Lemon Tree Hotels Ltd.	14 859	19 371	
3 815 048	Marico Ltd.	20 466	27 844	
52 524	Page Industries Ltd.	19 055	25 905	
5 804 529	Yes Bank Ltd.	33 908	20 621	
		247 142	300 670	13.9
Indonesia				
227 070 800	PT Arwana Citramulia Tbk	17 303	9 064	
9 557 200	PT Bank Central Asia Tbk	15 308	23 596	
173 937 680	PT Catur Sentosa Adiprana Tbk	7 992	8 701	
173 504 200	PT Ciputra Development Tbk	18 468	16 674	
54 413 600	PT Hanjaya Mandala Sampoerna Tbk	16 878	19 211	
48 271 471	PT Pembangunan Perumahan Persero Tbk	16 647	8 286	
88 794 600	PT Telekomunikasi Indonesia Persero Tbk	28 186	31 691	
5 590 700	PT Unilever Indonesia Tbk	22 397	24 146	
		143 179	141 369	6.6
New Zealand				
9 801 170	Genesis Energy Ltd.	22 220	23 463	
		22 220	23 463	1.1
Philippines				
19 842 070	Metropolitan Bank & Trust Co.	34 429	41 822	
		34 429	41 822	1.9
Singapore				
1 160 000	DBS Group Holdings Ltd.	27 248	27 539	
		27 248	27 539	1.3
South Korea				
46 413	Amorepacific Corp.	18 639	11 922	
64 850	BGF Retail Co. Ltd.	14 409	16 160	
187 259	Cafe24 Corp.	33 667	25 209	
1 094 556	Korea Electric Power Corp.	50 528	44 263	
40 483	Samsung Biologics Co. Ltd.	21 613	19 224	
2 004 320	Samsung Electronics Co. Ltd.	108 181	95 255	
606 941	Samsung Engineering Co. Ltd.	9 610	13 086	
558 855	Shinhan Financial Group Co. Ltd.	28 745	27 051	
136 595	SK Innovation Co. Ltd.	31 109	29 933	
		316 501	282 103	13.1

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Taiwan				
4 877 000	Chroma ATE Inc.	\$ 32 224	\$ 25 588	
153 000	Largan Precision Co. Ltd.	23 133	21 795	
11 432 000	Taiwan Semiconductor Manufacturing Co. Ltd.	86 607	113 326	
		141 964	160 709	7.5
Thailand				
11 567 300	CP All PCL	24 601	33 346	
335 500	Fabrinet	16 004	23 501	
3 257 500	Kasikornbank PCL	25 292	25 298	
		65 897	82 145	3.8
Vietnam				
4 039 280	Airports Corp of Vietnam JSC	19 649	21 397	
		19 649	21 397	1.0
TOTAL ASIAN EQUITIES		\$1 951 823	2 086 091	96.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			69 647	3.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$2 155 738	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 086 091	\$ 1 984 058
Cash	66 975	15 445
Due from investment dealers	–	1 921
Subscriptions receivable	96	404
Unrealized gain on foreign exchange contracts	–	1
Dividends receivable, interest accrued and other assets	3 430	4 462
TOTAL ASSETS	2 156 592	2 006 291
LIABILITIES		
Due to investment dealers	511	–
Redemptions payable	263	154
Distributions payable	21	–
Accounts payable and accrued expenses	59	52
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	854	206
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 155 738	\$ 2 006 085
Investments at cost	\$ 1 951 823	\$ 1 574 994
NAV		
SERIES A	\$ 6 512	\$ 5 238
ADVISOR SERIES	\$ 41	\$ 80
SERIES D	\$ 2 153	\$ 2 368
SERIES F	\$ 4 604	\$ 2 434
SERIES O	\$ 2 142 428	\$ 1 995 965
NAV PER UNIT		
SERIES A	\$ 11.42	\$ 13.22
ADVISOR SERIES	\$ 11.46	\$ 13.26
SERIES D	\$ 11.66	\$ 13.42
SERIES F	\$ 11.69	\$ 13.45
SERIES O	\$ 11.59	\$ 13.35

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 34 881	\$ 34 528
Interest for distribution purposes	574	195
Derivative income	(303)	(10 131)
Net realized gain (loss) on investments	166 473	132 108
Change in unrealized gain (loss) on investments	(274 797)	329 908
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(73 172)	486 608
Other income (loss)	518	–
Securities lending revenue (see note 7 in the generic notes)	818	380
Net gain (loss) on foreign cash balances	(158)	(1 660)
TOTAL OTHER INCOME (LOSS)	1 178	(1 280)
TOTAL INCOME (LOSS)	(71 994)	485 328
EXPENSES (see notes – Fund Specific Information)		
Management fees	188	96
Administration fees	421	377
Independent Review Committee costs	2	3
GST/HST	62	48
Transaction costs	5 898	6 088
Withholding tax	3 681	2 970
TOTAL EXPENSES	10 252	9 582
INCREASE (DECREASE) IN NAV	\$ (82 246)	\$ 475 746
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (528)	\$ 750
ADVISOR SERIES	\$ (3)	\$ 12
SERIES D	\$ (154)	\$ 367
SERIES F	\$ (357)	\$ 360
SERIES O	\$ (81 204)	\$ 474 257
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.03)	\$ 2.72
ADVISOR SERIES	\$ (0.65)	\$ 3.11
SERIES D	\$ (0.79)	\$ 2.75
SERIES F	\$ (1.16)	\$ 2.93
SERIES O	\$ (0.54)	\$ 3.21



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (82 246)	\$ 475 746
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(163 264)	(125 944)
Change in unrealized loss (gain) on investments	274 797	(329 908)
(Increase) decrease in accrued receivables	1 032	(2 320)
Increase (decrease) in accrued payables	7	16
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 316 660)	(1 696 358)
Proceeds from sale and maturity of investments	1 105 527	1 808 576
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(180 807)	129 808
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	407 946	73 037
Cash paid on redemption of redeemable units	(175 509)	(189 561)
Distributions paid to holders of redeemable units	(100)	(29)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 232 337	\$ (116 553)
Net increase (decrease) in cash for the period	51 530	13 255
Cash (bank overdraft), beginning of period	15 445	2 190
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 66 975	\$ 15 445
Interest received (paid)	\$ 574	\$ 214
Dividends received, net of withholding taxes	\$ 32 750	\$ 29 219

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 238	\$ 2 334	\$ 80	\$ 15	\$ 2 368	\$ 1 017	\$ 2 434	\$ 1 143
INCREASE (DECREASE) IN NAV	(528)	750	(3)	12	(154)	367	(357)	360
Early redemption fees	—	—	—	—	1	—	—	—
Proceeds from redeemable units issued	4 442	3 686	1	69	3 535	2 697	6 897	3 615
Reinvestments of distributions to holders of redeemable units	462	112	3	2	159	58	294	50
Redemption of redeemable units	(2 633)	(1 527)	(37)	(16)	(3 595)	(1 713)	(4 289)	(2 664)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 271	2 271	(33)	55	100	1 042	2 902	1 001
Distributions from net income	—	—	—	—	(5)	(1)	(27)	(10)
Distributions from net gains	(469)	(117)	(3)	(2)	(156)	(57)	(348)	(60)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(469)	(117)	(3)	(2)	(161)	(58)	(375)	(70)
NET INCREASE (DECREASE) IN NAV	1 274	2 904	(39)	65	(215)	1 351	2 170	1 291
NAV AT END OF PERIOD	\$ 6 512	\$ 5 238	\$ 41	\$ 80	\$ 2 153	\$ 2 368	\$ 4 604	\$ 2 434

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 995 965	\$ 1 642 250	\$ 2 006 085	\$ 1 646 759
INCREASE (DECREASE) IN NAV	(81 204)	474 257	(82 246)	475 746
Early redemption fees	—	—	1	—
Proceeds from redeemable units issued	397 630	66 104	412 505	76 171
Reinvestments of distributions to holders of redeemable units	187 961	74 570	188 879	74 792
Redemption of redeemable units	(169 932)	(186 642)	(180 486)	(192 562)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	415 659	(45 968)	420 899	(41 599)
Distributions from net income	(33 950)	(29 009)	(33 982)	(29 020)
Distributions from net gains	(154 042)	(45 565)	(155 018)	(45 801)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(187 992)	(74 574)	(189 000)	(74 821)
NET INCREASE (DECREASE) IN NAV	146 463	353 715	149 653	359 326
NAV AT END OF PERIOD	\$ 2 142 428	\$ 1 995 965	\$ 2 155 738	\$ 2 006 085

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
China	25.3	21.9
Australia	15.3	17.2
India	13.9	12.8
South Korea	13.1	16.7
Taiwan	7.5	8.9
Indonesia	6.6	6.8
Hong Kong	6.0	5.8
Thailand	3.8	5.5
Philippines	1.9	0.8
Singapore	1.3	–
New Zealand	1.1	1.9
Cash/Other	4.2	1.7
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Hong Kong dollar	26.8	21.0
Australian dollar	15.4	17.2
Indian rupee	14.0	10.4
South Korean won	13.1	16.8
New Taiwan dollar	7.5	8.9
United States dollar	6.9	11.7
Indonesian rupiah	6.6	6.9
Thailand baht	2.7	4.0
Philippine peso	1.9	0.8
Chinese renminbi	1.6	–
Singapore dollar	1.3	–
New Zealand dollar	1.1	1.9
Vietnam dong	1.1	–
Other currencies	–	0.4
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI AC Asia Pacific ex-Japan		
Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	84 366	2 001 725	–	2 086 091
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	84 366	2 001 725	–	2 086 091
% of total portfolio	4.0	96.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	220 251	1 763 807	–	1 984 058
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	–	–	–
Total financial instruments	220 251	1 763 808	–	1 984 059
% of total portfolio	11.1	88.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.15%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	119	111
Series F	123	113
Value of all units	3	3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	396	219
Issued number of units	333	294
Reinvested number of units	41	8
Redeemed number of units	(200)	(125)
Ending number of units	570	396
Advisor Series		
Opening units	6	1
Issued number of units	1	6
Reinvested number of units	–	–
Redeemed number of units	(3)	(1)
Ending number of units	4	6

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	177	95
Issued number of units	259	213
Reinvested number of units	14	4
Redeemed number of units	(265)	(135)
Ending number of units	185	177
Series F		
Opening units	181	106
Issued number of units	519	285
Reinvested number of units	26	4
Redeemed number of units	(332)	(214)
Ending number of units	394	181
Series O		
Opening units	149 543	153 883
Issued number of units	31 123	5 434
Reinvested number of units	16 650	5 565
Redeemed number of units	(12 407)	(15 339)
Ending number of units	184 909	149 543

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	5 898	100	6 088	100
Related-party brokerage commissions*	–	–	–	–
Commission arrangements†	254	4	152	2

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	131 675	243 287
Fair value of collateral received	134 308	248 152

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 152	100	542	100
RBC IS (paid)	(288)	(25)	(144)	(27)
Tax withheld	(46)	(4)	(18)	(3)
Fund revenue	818	71	380	70



December 31, 2018

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Asian Equity Fund	2.1	2.3
RBC Retirement 2020 Portfolio	–	–
RBC Retirement 2025 Portfolio	–	–
RBC Retirement 2030 Portfolio	–	–
RBC Retirement 2035 Portfolio	–	–
RBC Retirement 2040 Portfolio	–	–
RBC Retirement 2045 Portfolio	–	–
RBC Retirement 2050 Portfolio	–	–
RBC Select Aggressive Growth Portfolio	3.2	3.0
RBC Select Balanced Portfolio	36.7	32.6
RBC Select Conservative Portfolio	27.6	30.3
RBC Select Growth Portfolio	11.7	11.4
RBC Select Very Conservative Portfolio	4.6	5.7
RBC Target 2020 Education Fund	0.1	0.3
RBC Target 2025 Education Fund	0.9	1.1
RBC Target 2030 Education Fund	1.1	1.0
RBC Target 2035 Education Fund	0.1	–
Total	88.1	87.7

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	–	–
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	–	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	–
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	1	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC JAPANESE EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
304 800	Bengo4.com Inc.	\$ 5 799	\$ 11 925	
284 500	CyberAgent Inc.	15 562	15 015	
995 700	Fuji Media Holdings Inc.	20 356	18 743	
1 091 000	LIFULL Co. Ltd.	10 009	9 917	
65 200	Nintendo Co. Ltd.	22 716	23 636	
396 200	Nippon Telegraph & Telephone Corp.	20 102	22 068	
873 700	SoftBank Group Corp.	75 589	78 126	
5 079 900	Yahoo! Japan Corp.	28 020	17 253	
		<u>198 153</u>	<u>196 683</u>	15.8
Consumer Discretionary				
629 900	Bridgestone Corp.	29 752	32 992	
26 000	Fast Retailing Co. Ltd.	17 325	18 129	
680 700	Istyle Inc.	7 654	6 919	
142 200	Nitori Co. Ltd.	21 544	24 313	
691 500	Oisix ra daichi Inc.	7 597	15 616	
188 800	Open Door Inc.	7 394	5 975	
497 800	Sony Corp.	31 210	32 763	
487 700	Suzuki Motor Co. Ltd.	26 214	33 564	
203 200	TKP Corp.	6 684	9 210	
558 800	Toyota Motor Corp.	44 903	44 160	
640 100	USS Co. Ltd.	13 143	14 662	
832 400	ZOZO Inc.	29 254	20 820	
		<u>242 674</u>	<u>259 123</u>	20.8
Consumer Staples				
63 000	Ariake Japan Co. Ltd.	5 293	5 579	
508 000	Asahi Group Holdings Ltd.	25 763	26 877	
73 100	Milbon Co Ltd.	4 330	4 062	
217 400	Pigeon Corp.	10 389	12 659	
100 000	Pola Orbis Holdings Inc.	3 607	3 679	
133 100	Shiseido Co. Ltd.	12 975	11 380	
76 200	Tsuruha Holdings Inc.	13 121	8 908	
		<u>75 478</u>	<u>73 144</u>	5.9
Energy				
2 155 300	JXTG Holdings Inc.	19 783	15 282	
		<u>19 783</u>	<u>15 282</u>	1.2
Financials				
2 844 800	Aiful Corporation	12 951	9 179	
5 384 700	Mitsubishi UFJ Financial Group Inc.	36 064	36 077	
18 287 700	Mizuho Financial Group Inc.	42 073	38 629	
792 500	Sumitomo Mitsui Financial Group Inc.	38 824	35 666	
345 400	Tokio Marine Holdings, Inc.	17 529	22 402	
		<u>147 441</u>	<u>141 953</u>	11.4
Health Care				
121 900	Asahi Intecc Co. Ltd.	2 519	7 040	
812 800	CYBERDYNE Inc.	11 575	4 864	
508 000	Daiichi Sankyo Co. Ltd.	18 230	22 183	
97 500	Eisai Co. Ltd.	12 205	10 305	
668 000	M3 Inc.	13 264	12 285	

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
152 400	Nakanishi Inc.	\$ 2 087	\$ 3 548	
662 700	PeptiDream Inc.	19 179	35 719	
1 660 100	Ping An Healthcare and Technology Co. Ltd.	13 528	7 968	
440 200	SanBio Co. Ltd.	6 943	44 266	
243 800	Sysmex Corp.	20 462	15 807	
		<u>119 992</u>	<u>163 985</u>	13.2
Industrials				
203 200	Daifuku Co. Ltd.	12 433	12 578	
115 500	Daikin Industries Ltd.	13 941	16 754	
609 600	Kajima Corp.	12 140	11 179	
630 000	MISUMI Group Inc.	15 126	18 119	
1 303 800	Mitsubishi Corp.	43 722	48 800	
244 000	Miura Co. Ltd.	5 756	7 566	
66 100	Nidec Corp.	7 708	10 210	
251 232	Rakusul Inc.	9 377	7 436	
569 000	Recruit Holdings Co. Ltd.	12 952	18 766	
50 800	SMC Corp.	19 619	20 880	
418 600	UT Group Co. Ltd.	17 319	9 811	
		<u>170 093</u>	<u>182 099</u>	14.6
Information Technology				
33 500	Keyence Corp.	20 034	23 116	
120 000	Murata Manufacturing Co. Ltd.	21 577	22 075	
313 000	Nomura Research Institute Ltd.	15 492	15 846	
166 700	Rohm Co. Ltd.	19 627	14 525	
172 700	Trend Micro Inc.	12 714	12 740	
		<u>89 444</u>	<u>88 302</u>	7.1
Materials				
669 300	Kuraray Co. Ltd.	13 623	12 851	
660 400	Tosoh Corp.	14 350	11 694	
		<u>27 973</u>	<u>24 545</u>	2.0
Real Estate				
721 300	Mitsui Fudosan Co. Ltd.	21 591	21 872	
189 700	Relo Group Inc.	3 985	6 049	
		<u>25 576</u>	<u>27 921</u>	2.3
Utilities				
1 481 300	Chubu Electric Power Co. Inc.	28 689	28 735	
		<u>28 689</u>	<u>28 735</u>	2.3
TOTAL COMMON EQUITIES		<u>1 145 296</u>	<u>1 201 772</u>	96.6
SHORT-TERM INVESTMENTS*		<u>35 648</u>	<u>35 648</u>	2.9
TOTAL INVESTMENTS		<u>1 180 944</u>	<u>1 237 420</u>	99.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	5 735	0.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(2 296)	(0.2)
TOTAL PORTFOLIO		<u>\$1 180 944</u>	<u>1 240 859</u>	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>2 741</u>	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$1 243 600</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 290 000 Sold CAD 3 381 @ 85.7631	08-Jan-2019	\$ 231
Bought JPY 153 982 Sold CAD 1 902 @ 80.9739	08-Jan-2019	16
Bought JPY 264 000 Sold CAD 3 089 @ 85.4530	10-Jan-2019	200
Bought JPY 100 000 Sold CAD 1 165 @ 85.8600	10-Jan-2019	81
Bought JPY 240 000 Sold CAD 2 960 @ 81.0920	16-Jan-2019	32
Bought JPY 170 000 Sold CAD 2 100 @ 80.9389	16-Jan-2019	18
Bought JPY 430 575 Sold CAD 5 083 @ 84.7059	22-Jan-2019	285
Bought JPY 66 000 Sold CAD 774 @ 85.2320	22-Jan-2019	49
Bought JPY 50 000 Sold CAD 593 @ 84.3639	22-Jan-2019	31
Bought JPY 266 015 Sold CAD 3 094 @ 85.9893	25-Jan-2019	224
Bought HKD 5 500 Sold CAD 929 @ 5.9231	04-Feb-2019	30
Bought HKD 5 000 Sold CAD 855 @ 5.8482	04-Feb-2019	17
Bought JPY 1 150 760 Sold CAD 13 426 @ 85.7140	08-Feb-2019	937
Bought JPY 410 000 Sold CAD 4 832 @ 84.8510	22-Feb-2019	289
Bought JPY 621 103 Sold CAD 7 368 @ 84.3000	26-Feb-2019	392
Bought JPY 39 100 Sold CAD 460 @ 84.9300	04-Mar-2019	28
Bought JPY 415 919 Sold CAD 4 910 @ 84.7011	04-Mar-2019	287
Bought HKD 9 000 Sold CAD 1 555 @ 5.7870	07-Mar-2019	15
Bought JPY 1 914 127 Sold CAD 22 586 @ 84.7470	08-Mar-2019	1 342
Bought JPY 1 775 000 Sold CAD 20 963 @ 84.6740	11-Mar-2019	1 231
		\$ 5 735

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 931 Sold JPY 237 836 @ 0.0123	07-Jan-2019	\$ (31)
Bought CAD 2 534 Sold JPY 216 880 @ 0.0117	08-Jan-2019	(167)
Bought CAD 909 Sold JPY 78 184 @ 0.0116	08-Jan-2019	(65)
Bought CAD 2 313 Sold JPY 200 000 @ 0.0116	10-Jan-2019	(178)
Bought CAD 26 192 Sold JPY 2 123 955 @ 0.0123	16-Jan-2019	(280)
Bought CAD 3 282 Sold JPY 280 850 @ 0.0117	22-Jan-2019	(220)
Bought CAD 6 457 Sold JPY 555 787 @ 0.0116	22-Jan-2019	(472)
Bought CAD 1 186 Sold JPY 100 000 @ 0.0119	22-Jan-2019	(60)
Bought CAD 11 483 Sold HKD 68 755 @ 0.1670	04-Feb-2019	(506)
Bought CAD 471 Sold JPY 40 000 @ 0.0118	08-Feb-2019	(28)
Bought CAD 5 185 Sold JPY 425 000 @ 0.0122	12-Feb-2019	(120)
Bought CAD 2 553 Sold JPY 213 314 @ 0.0120	22-Feb-2019	(111)
Bought CAD 1 194 Sold JPY 100 000 @ 0.0119	11-Mar-2019	(58)
		\$ (2 296)
TOTAL FOREIGN EXCHANGE		\$ 3 439

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.51% to 2.22% and mature between January 10, 2019 and April 4, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 237 420	\$ 1 226 227
Cash	111	101
Due from investment dealers	9 610	–
Subscriptions receivable	70	514
Unrealized gain on foreign exchange contracts	5 735	130
Dividends receivable, interest accrued and other assets	1 673	1 228
TOTAL ASSETS	1 254 619	1 228 200
LIABILITIES		
Due to investment dealers	8 566	–
Redemptions payable	93	130
Unrealized loss on foreign exchange contracts	2 296	245
Distributions payable	13	–
Accounts payable and accrued expenses	51	38
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	11 019	413
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 243 600	\$ 1 227 787
Investments at cost	\$ 1 180 944	\$ 1 000 354
NAV		
SERIES A	\$ 6 179	\$ 4 614
ADVISOR SERIES	\$ 850	\$ 820
SERIES D	\$ 4 444	\$ 3 564
SERIES F	\$ 7 306	\$ 2 434
SERIES O	\$ 1 224 821	\$ 1 216 355
NAV PER UNIT		
SERIES A	\$ 11.05	\$ 12.71
ADVISOR SERIES	\$ 11.08	\$ 12.74
SERIES D	\$ 11.53	\$ 13.15
SERIES F	\$ 11.54	\$ 13.17
SERIES O	\$ 11.48	\$ 13.11

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 20 255	\$ 17 815
Interest for distribution purposes	534	93
Derivative income	(1 248)	(25)
Net realized gain (loss) on investments	93 575	52 033
Change in unrealized gain (loss) on investments	(165 843)	163 378
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(52 727)	233 294
Other income (loss)	13	–
Securities lending revenue (see note 7 in the generic notes)	513	644
Net gain (loss) on foreign cash balances	1 504	(45)
TOTAL OTHER INCOME (LOSS)	2 030	599
TOTAL INCOME (LOSS)	(50 697)	233 893
EXPENSES (see notes – Fund Specific Information)		
Management fees	272	112
Administration fees	280	232
Independent Review Committee costs	2	3
GST/HST	56	36
Transaction costs	1 978	2 076
Withholding tax	2 978	2 741
TOTAL EXPENSES	5 566	5 200
INCREASE (DECREASE) IN NAV	\$ (56 263)	\$ 228 693
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (566)	\$ 647
ADVISOR SERIES	\$ (71)	\$ 62
SERIES D	\$ (392)	\$ 385
SERIES F	\$ (865)	\$ 262
SERIES O	\$ (54 369)	\$ 227 337
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.13)	\$ 2.06
ADVISOR SERIES	\$ (0.75)	\$ 1.93
SERIES D	\$ (0.99)	\$ 2.26
SERIES F	\$ (1.45)	\$ 2.28
SERIES O	\$ (0.60)	\$ 2.52



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (56 263)	\$ 228 693
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(91 699)	(50 081)
Change in unrealized loss (gain) on investments	165 843	(163 378)
(Increase) decrease in accrued receivables	(445)	459
Increase (decrease) in accrued payables	13	7
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 543 948)	(1 139 418)
Proceeds from sale and maturity of investments	1 454 013	1 163 909
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(72 486)	40 191
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	223 796	61 171
Cash paid on redemption of redeemable units	(151 191)	(101 374)
Distributions paid to holders of redeemable units	(109)	(14)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 72 496	\$ (40 217)
Net increase (decrease) in cash for the period	10	(26)
Cash (bank overdraft), beginning of period	101	127
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 111	\$ 101
Interest received (paid)	\$ 493	\$ 92
Dividends received, net of withholding taxes	\$ 16 886	\$ 15 534

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 614	\$ 3 658	\$ 820	\$ 233	\$ 3 564	\$ 2 728	\$ 2 434	\$ 1 324
INCREASE (DECREASE) IN NAV	(566)	647	(71)	62	(392)	385	(865)	262
Early redemption fees	—	—	—	—	2	—	—	—
Proceeds from redeemable units issued	5 278	2 620	759	589	6 235	3 261	10 706	2 971
Reinvestments of distributions to holders of redeemable units	434	121	49	17	312	92	475	63
Redemption of redeemable units	(3 135)	(2 309)	(646)	(62)	(4 961)	(2 810)	(4 892)	(2 115)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 577	432	162	544	1 588	543	6 289	919
Distributions from net income	—	—	—	—	(2)	—	(24)	(6)
Distributions from net gains	(446)	(123)	(61)	(19)	(314)	(92)	(528)	(65)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(446)	(123)	(61)	(19)	(316)	(92)	(552)	(71)
NET INCREASE (DECREASE) IN NAV	1 565	956	30	587	880	836	4 872	1 110
NAV AT END OF PERIOD	\$ 6 179	\$ 4 614	\$ 850	\$ 820	\$ 4 444	\$ 3 564	\$ 7 306	\$ 2 434

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 216 355	\$ 1 031 002	\$ 1 227 787	\$ 1 038 945
INCREASE (DECREASE) IN NAV	(54 369)	227 337	(56 263)	228 693
Early redemption fees	—	—	2	—
Proceeds from redeemable units issued	203 820	54 229	226 798	63 670
Reinvestments of distributions to holders of redeemable units	102 377	48 752	103 647	49 045
Redemption of redeemable units	(140 968)	(96 211)	(154 602)	(103 507)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	165 229	6 770	175 845	9 208
Distributions from net income	(17 261)	(15 598)	(17 287)	(15 604)
Distributions from net gains	(85 133)	(33 156)	(86 482)	(33 455)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(102 394)	(48 754)	(103 769)	(49 059)
NET INCREASE (DECREASE) IN NAV	8 466	185 353	15 813	188 842
NAV AT END OF PERIOD	\$ 1 224 821	\$ 1 216 355	\$ 1 243 600	\$ 1 227 787

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of Japanese companies.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Consumer Discretionary	20.8	19.7
Communication Services	15.8	7.9
Industrials	14.6	17.1
Health Care	13.2	11.3
Financials	11.4	13.2
Information Technology	7.1	14.8
Consumer Staples	5.9	7.4
Real Estate	2.3	2.6
Utilities	2.3	0.2
Materials	2.0	5.4
Energy	1.2	—
Cash/Other	3.4	0.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Japanese yen	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Japan Net Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	1 201 772	—	1 201 772
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	35 648	—	35 648
Derivatives – assets	—	5 735	—	5 735
Derivatives – liabilities	—	(2 296)	—	(2 296)
Total financial instruments	—	1 240 859	—	1 240 859
% of total portfolio	—	100.0	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	1 222 823	—	1 222 823
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	3 404	—	3 404
Derivatives – assets	—	130	—	130
Derivatives – liabilities	—	(245)	—	(245)
Total financial instruments	—	1 226 112	—	1 226 112
% of total portfolio	—	100.0	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.15%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	133	124
Series F	135	125
Value of all units	3	3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	363	336
Issued number of units	400	214
Reinvested number of units	39	9
Redeemed number of units	(243)	(196)
Ending number of units	559	363
Advisor Series		
Opening units	64	21
Issued number of units	58	47
Reinvested number of units	4	1
Redeemed number of units	(49)	(5)
Ending number of units	77	64

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	271	244
Issued number of units	452	255
Reinvested number of units	27	7
Redeemed number of units	(364)	(235)
Ending number of units	386	271
Series F		
Opening units	185	118
Issued number of units	778	235
Reinvested number of units	41	5
Redeemed number of units	(371)	(173)
Ending number of units	633	185
Series O		
Opening units	92 809	92 591
Issued number of units	15 145	4 468
Reinvested number of units	8 825	3 654
Redeemed number of units	(10 052)	(7 904)
Ending number of units	106 727	92 809

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 978	100	2 076	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	290	15	169	8

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	72 963	158 507
Fair value of collateral received	74 422	161 677

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	694	100	875	100
RBC IS (paid)	(174)	(25)	(226)	(26)
Tax withheld	(7)	(1)	(5)	(1)
Fund revenue	513	74	644	73



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Asian Equity Fund	2.2	2.3
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Select Aggressive Growth Portfolio	3.4	3.2
RBC Select Balanced Portfolio	29.3	26.5
RBC Select Choices Aggressive Growth Portfolio	0.3	—
RBC Select Choices Growth Portfolio	0.3	—
RBC Select Conservative Portfolio	30.1	33.2
RBC Select Growth Portfolio	13.0	12.0
RBC Select Very Conservative Portfolio	4.8	6.6
RBC Target 2020 Education Fund	0.2	0.3
RBC Target 2025 Education Fund	1.0	1.2
RBC Target 2030 Education Fund	1.2	1.1
RBC Target 2035 Education Fund	0.1	—
Total	85.9	86.4

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	5 735	(2 296)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	5 735	(2 296)
Related amounts not set-off	(1 165)	1 165
Collateral (received) pledged	—	556
Net amount	4 570	(575)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	130	(245)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	130	(245)
Related amounts not set-off	(24)	24
Collateral (received) pledged	—	—
Net amount	106	(221)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EMERGING MARKETS MULTI-STRATEGY EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
10 368 996	RBC Emerging Markets Dividend Fund*	\$ 142 834	\$ 127 528	
9 494 909	RBC Emerging Markets Equity Fund*	162 858	158 079	
2 322 134	RBC Emerging Markets Small-Cap Equity Fund*	33 047	31 894	
TOTAL UNDERLYING FUNDS		338 739	317 501	99.8
SHORT-TERM INVESTMENTS†		4 466	4 466	1.4
TOTAL INVESTMENTS		<u>\$ 343 205</u>	321 967	101.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(3 796)	(1.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 318 171</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 321 967	\$ 258 655
Cash	30	–
Subscriptions receivable	497	1 079
TOTAL ASSETS	322 494	259 734
LIABILITIES		
Due to investment dealers	3 967	1 005
Redemptions payable	130	14
Accounts payable and accrued expenses	226	165
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 323	1 184
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 318 171	\$ 258 550
Investments at cost	\$ 343 205	\$ 237 451
NAV		
SERIES A	\$ 19 179	\$ 11 852
ADVISOR SERIES	\$ 7 062	\$ 3 917
SERIES D	\$ 3 024	\$ 1 840
SERIES F	\$ 193 759	\$ 160 510
SERIES O	\$ 95 147	\$ 80 431
NAV PER UNIT		
SERIES A	\$ 10.26	\$ 11.62
ADVISOR SERIES	\$ 10.26	\$ 11.62
SERIES D	\$ 10.37	\$ 11.68
SERIES F	\$ 10.39	\$ 11.69
SERIES O	\$ 10.46	\$ 11.72

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 10	\$ 9
Income from investment trusts	19 665	5 937
Derivative income	8	–
Net realized gain (loss) on investments	(2 481)	353
Change in unrealized gain (loss) on investments	(42 442)	21 412
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(25 240)	27 711
Net gain (loss) on foreign cash balances	20	–
TOTAL OTHER INCOME (LOSS)	20	–
TOTAL INCOME (LOSS)	(25 220)	27 711
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 396	939
Administration fees	179	71
Independent Review Committee costs	2	3
GST/HST	290	117
TOTAL EXPENSES	2 867	1 130
INCREASE (DECREASE) IN NAV	\$ (28 087)	\$ 26 581
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (1 897)	\$ 911
ADVISOR SERIES	\$ (383)	\$ 349
SERIES D	\$ (290)	\$ 184
SERIES F	\$ (17 834)	\$ 17 485
SERIES O	\$ (7 683)	\$ 7 652
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.08)	\$ 1.83
ADVISOR SERIES	\$ (0.75)	\$ 1.97
SERIES D	\$ (1.04)	\$ 2.09
SERIES F	\$ (0.91)	\$ 2.10
SERIES O	\$ (0.82)	\$ 2.12

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (28 087)	\$ 26 581
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(19 665)	(5 937)
Net realized loss (gain) on investments	2 481	(353)
Change in unrealized loss (gain) on investments	42 442	(21 412)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	61	159
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(585 148)	(556 228)
Proceeds from sale and maturity of investments	499 540	332 812
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(88 376)	(224 378)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	272 348	239 011
Cash paid on redemption of redeemable units	(174 032)	(12 110)
Distributions paid to holders of redeemable units	(9 910)	(2 525)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 88 406	\$ 224 376
Net increase (decrease) in cash for the period	30	(2)
Cash (bank overdraft), beginning of period	—	2
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 30	\$ —
Interest received (paid)	\$ 10	\$ 9
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 11 852	\$ 403	\$ 3 917	\$ 232	\$ 1 840	\$ 150	\$ 160 510	\$ 5 398
INCREASE (DECREASE) IN NAV	(1 897)	911	(383)	349	(290)	184	(17 834)	17 485
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	15 880	11 359	4 819	3 537	4 075	2 148	155 673	146 547
Reinvestments of distributions to holders of redeemable units	890	132	327	41	155	26	4 979	1 369
Redemption of redeemable units	(6 611)	(817)	(1 272)	(198)	(2 600)	(641)	(98 978)	(7 763)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10 159	10 674	3 874	3 380	1 630	1 533	61 674	140 153
Distributions from net income	(164)	(93)	(60)	(30)	(37)	(20)	(2 880)	(1 930)
Distributions from net gains	(771)	(43)	(286)	(14)	(119)	(7)	(7 711)	(596)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(935)	(136)	(346)	(44)	(156)	(27)	(10 591)	(2 526)
NET INCREASE (DECREASE) IN NAV	7 327	11 449	3 145	3 685	1 184	1 690	33 249	155 112
NAV AT END OF PERIOD	\$ 19 179	\$ 11 852	\$ 7 062	\$ 3 917	\$ 3 024	\$ 1 840	\$ 193 759	\$ 160 510

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 80 431	\$ 443	\$ 258 550	\$ 6 626
INCREASE (DECREASE) IN NAV	(7 683)	7 652	(28 087)	26 581
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	93 637	76 728	274 084	240 319
Reinvestments of distributions to holders of redeemable units	1 506	252	7 857	1 820
Redemption of redeemable units	(67 005)	(3 047)	(176 466)	(12 466)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	28 138	73 933	105 475	229 673
Distributions from net income	(1 950)	(1 305)	(5 091)	(3 378)
Distributions from net gains	(3 789)	(292)	(12 676)	(952)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(5 739)	(1 597)	(17 767)	(4 330)
NET INCREASE (DECREASE) IN NAV	14 716	79 988	59 621	251 924
NAV AT END OF PERIOD	\$ 95 147	\$ 80 431	\$ 318 171	\$ 258 550

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in other mutual funds. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying funds.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
International Equity Funds	99.8	99.6
Cash/Other	0.2	0.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Hong Kong dollar	20.0	14.8
United States dollar	11.1	14.8
Indian rupee	10.7	10.0
New Taiwan dollar	10.2	10.1
South African rand	9.6	10.0
South Korean won	9.1	12.7
Brazilian real	6.6	5.2
Indonesian rupiah	3.5	3.3
Pound sterling	3.2	3.4
Philippine peso	2.6	2.3
Thailand baht	2.6	2.8
Turkish new lira	1.6	1.5
Mexican peso	1.2	1.4
Chinese renminbi	1.2	2.6
Hungarian forint	1.0	0.5
Chilean peso	0.8	1.3
Japanese yen	0.8	–
Malaysian ringgit	0.7	0.7
Bangladesh taka	0.7	0.8
Colombian peso	0.6	–

Currency	December 31 2018	December 31 2017
Russian ruble	0.5	–
Nigerian naira	–	0.7
Other currencies	1.1	0.7
Total	99.4	99.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 27-month (December 31, 2017 – 15-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Total		
Return Net Index (CAD)	+ or - 0.9	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	317 501	–	–	317 501
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	4 466	–	4 466
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	317 501	4 466	–	321 967
% of total portfolio	98.6	1.4	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	257 425	—	—	257 425
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	1 230	—	1 230
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	257 425	1 230	—	258 655
% of total portfolio	99.5	0.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.05%
Advisor Series	1.85%	0.05%
Series D	1.10%	0.05%
Series F	0.85%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	107	102
Advisor Series	108	102
Series D	108	103
Series F	109	103
Series O	109	103
Value of all units	6	6

Unconsolidated structured entities (%) (see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

Please see the generic notes at the back of the financial statements.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Emerging Markets Dividend Fund	40.1	12.5	34.9	11.1
RBC Emerging Markets Equity Fund	49.7	3.6	54.8	3.7
RBC Emerging Markets Small-Cap Equity Fund	10.0	5.5	9.9	5.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 020	43
Issued number of units	1 358	1 039
Reinvested number of units	89	11
Redeemed number of units	(598)	(73)
Ending number of units	1 869	1 020
Advisor Series		
Opening units	337	25
Issued number of units	432	326
Reinvested number of units	33	4
Redeemed number of units	(114)	(18)
Ending number of units	688	337
Series D		
Opening units	158	16
Issued number of units	350	197
Reinvested number of units	15	2
Redeemed number of units	(231)	(57)
Ending number of units	292	158
Series F		
Opening units	13 732	572
Issued number of units	13 487	13 731
Reinvested number of units	490	118
Redeemed number of units	(9 065)	(689)
Ending number of units	18 644	13 732
Series O		
Opening units	6 865	47
Issued number of units	8 235	7 069
Reinvested number of units	147	22
Redeemed number of units	(6 154)	(273)
Ending number of units	9 093	6 865



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC EMERGING MARKETS DIVIDEND FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Bangladesh				
10 102 725	The City Bank Ltd.	\$ 6 811	\$ 5 001	
		6 811	5 001	0.5
Brazil				
869 200	Banco do Brasil S.A.	11 459	14 234	
720 700	Banco do Estado do Rio Grande do Sul S.A. Preference	5 369	5 631	
527 000	Centrais Eletricas Brasileiras S.A. Preference	3 893	5 229	
1 284 700	Cia Energetica de Minas Gerais Preference	4 169	6 271	
1 641 100	Kroton Educacional S.A.	6 537	5 126	
1 379 125	Petroleo Brasileiro S.A.	8 975	11 017	
985 800	Sul America S.A.	8 112	9 930	
744 291	Vale S.A. ADR	9 481	13 402	
		57 995	70 840	6.9
Chile				
325 320	Inversiones La Construccion S.A.	7 129	7 137	
		7 129	7 137	0.7
China				
215 435	Alibaba Group Holding Ltd. ADR	36 984	40 314	
1 543 976	Anhui Jinhe Industrial Co. Ltd.	6 302	4 901	
10 336 000	China Communications Services Corp. Ltd.	8 788	11 700	
36 975 213	China Construction Bank Corp.	37 130	41 335	
3 097 000	China Machinery Engineering Corp.	2 025	2 001	
8 794 265	China Petroleum & Chemical Corp.	8 979	8 558	
4 754 000	China Railway Construction Corp Ltd.	8 118	9 015	
8 128 000	China Resources Cement Holdings Ltd.	12 239	10 006	
5 646 000	China Resources Power Holdings Co. Ltd.	13 760	14 826	
5 178 000	China Water Affairs Group Ltd.	8 292	7 562	
4 350 000	Chinasoft International Ltd.	2 924	2 957	
5 272 188	CNOOC Ltd.	9 759	11 087	
1 906 000	Geely Automobile Holdings Ltd.	4 999	4 589	
2 119 000	Hua Hong Semiconductor Ltd.	5 848	5 349	
42 976 000	Industrial & Commercial Bank of China	41 735	41 730	
2 150 500	Kingboard Holdings Ltd.	12 395	7 832	
49 491	Kweichow Moutai Co. Ltd.	4 634	5 836	
670 338	Midea Group Co. Ltd.	5 143	4 943	
3 288 000	Nexter Automotive Group Ltd.	7 076	6 398	
2 111 500	Ping An Insurance Group Company of China Ltd.	24 611	25 431	
3 750 338	Sany Heavy Industry Co. Ltd.	6 084	6 231	
5 880 000	Shimao Property Holdings Ltd.	18 200	21 380	
		286 025	293 981	28.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Colombia				
991 274	Banco Davivienda S.A. Preference	\$ 13 748	\$ 12 885	
3 483 970	Ecopetrol S.A.	5 750	3 874	
		19 498	16 759	1.6
Egypt				
1 768 667	Commercial International Bank GDR	10 301	10 232	
		10 301	10 232	1.0
Hong Kong				
3 699 000	Ausnutria Dairy Corp. Ltd.	6 664	5 670	
41 345 000	Pacific Basin Shipping Ltd.	14 071	10 753	
11 745 000	SITC International Holdings Co. Ltd.	14 238	15 114	
8 360 000	Xinyi Glass Holdings Ltd.	13 018	12 607	
		47 991	44 144	4.3
Hungary				
1 071 640	MOL Hungarian Oil & Gas Plc.	15 728	15 983	
183 877	OTP Bank Rt.	7 985	10 100	
		23 713	26 083	2.6
India				
2 259 466	Apollo Tyres Ltd.	10 021	10 412	
1 292 146	Aurobindo Pharma Ltd.	15 521	18 498	
1 345 367	GHCL Ltd.	6 990	6 451	
790 140	Mphasis Ltd.	10 727	15 733	
6 208 774	Redington India Ltd.	13 947	10 761	
923 101	Reliance Industries Ltd.	18 136	20 225	
1 762 802	Vedanta Ltd.	9 236	6 962	
		84 578	89 042	8.7
Indonesia				
22 441 800	Bukit Asam Tbk PT	6 433	9 178	
23 094 386	PT Bank Negara Indonesia Persero Tbk	15 205	19 339	
4 855 238	PT Indah Kiat Pulp & Paper Corp. Tbk	7 389	5 322	
		29 027	33 839	3.3
Mexico				
294 279	Ternium S.A. ADR	10 585	10 887	
9 018 396	TF Administradora Industrial S. de R.L. de C.V. Real Estate Investment Trust	17 722	14 635	
		28 307	25 522	2.5
Pakistan				
3 797 500	Habib Bank Ltd.	7 589	4 493	
		7 589	4 493	0.4
Philippines				
2 999 530	Security Bank Corp.	10 575	12 075	
		10 575	12 075	1.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Poland				
274 875	Alior Bank S.A.	\$ 7 860	\$ 5 343	
		7 860	5 343	0.5
Russia				
112 633 000	Inter RAO UES PJSC	10 074	8 535	
129 528	Lukoil PJSC ADR	9 569	12 664	
638 500	PhosAgro OAO GDR	11 640	11 126	
812 658	Sberbank of Russia ADR	10 464	12 150	
25 151 200	Sistema PJSC FC	6 543	3 932	
204 973	X5 Retail Group N.V. GDR	7 787	6 934	
		56 077	55 341	5.4
Saudi Arabia				
817 138	Samba Financial Group, Participation Notes	9 150	9 355	
		9 150	9 355	0.9
South Africa				
5 308 844	KAP Industrial Holdings Ltd.	4 090	4 113	
2 170 244	Lewis Group Ltd.	7 816	7 211	
143 101	Naspers Ltd.	47 635	39 115	
1 067 974	Standard Bank Group Ltd.	16 013	18 115	
		75 554	68 554	6.7
South Korea				
44 017	Com2uS Corp.	8 583	6 975	
103 456	DB Insurance Co. Ltd.	8 505	8 895	
108 286	Dentium Co Ltd.	11 081	7 648	
230 313	Hana Financial Group Inc.	12 995	10 226	
89 141	Hynix Semiconductor Inc.	6 039	6 634	
61 906	Hyundai Mipo Dockyard Co. Ltd.	4 264	4 556	
43 345	LG Chem Ltd.	16 050	18 446	
23 375	POSCO	9 982	6 980	
696 804	Samsung Electronics Co. Ltd.	29 383	33 116	
31 226	SK Holdings Co. Ltd.	10 134	9 947	
		117 016	113 423	11.1
Taiwan				
1 258 542	Accton Technology Corp.	4 581	5 509	
1 988 000	Chailease Holding Co. Ltd.	7 621	8 560	
1 171 000	Chipbond Technology Corp.	3 227	3 210	
994 476	Hon Hai Precision Industry Co. Ltd.	4 602	3 125	
1 184 000	Lotes Co. Ltd.	11 475	11 109	
90 716	Lotes Co. Ltd., Rights	—	288	
3 360 378	Macronix International	4 378	2 723	
2 785 000	Primax Electronics Ltd.	6 254	5 357	
1 287 000	Sercomm Corp.	3 509	3 651	
3 636 015	Taiwan Semiconductor Manufacturing Co. Ltd.	24 685	36 044	
2 401 871	Wistron NeWeb Corp.	8 170	8 533	
		78 502	88 109	8.6
Thailand				
18 087 221	Krung Thai Bank PCL	13 917	14 569	
		13 917	14 569	1.4

Holdings	Security	Cost	Fair Value	% of Net Assets
Turkey				
2 028 075	Haci Omer Sabanci Holding A.S.	\$ 3 983	\$ 3 929	
663 635	TAV Havalimanlari Holding A.S.	4 778	4 092	
4 880 904	Trakya Cam Sanayii A.S.	5 888	3 812	
130 210	Tupras Turkiye Petrol Rafine	4 272	3 916	
742 120	Turk Hava Yollari	3 107	3 075	
1 298 480	Turkcell Iletisim Hizmetleri A.S.	3 974	4 065	
		26 002	22 889	2.3
Vietnam				
2 185 840	Hoa Phat Group JSC	4 822	3 994	
		4 822	3 994	0.4
TOTAL EQUITIES		1 008 439	1 020 725	99.8
SHORT-TERM INVESTMENTS*		200	200	—
TOTAL INVESTMENTS		1 008 639	1 020 925	99.8
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(8)	—
TOTAL PORTFOLIO		\$1 008 639	1 020 917	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			2 141	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$1 023 058	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HKD 2 703 Sold USD 345 @ 7.8298	03-Jan-2019	\$ —
		\$ —
Contracts	Maturity Date	Unrealized Loss
Bought USD 3 746 Sold HUF 1 051 248 @ 0.0036	02-Jan-2019	\$ (8)
		\$ (8)
TOTAL FOREIGN EXCHANGE		(8)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 020 925	\$ 807 423
Cash	—	9 330
Due from investment dealers	5 838	—
Subscriptions receivable	1 766	1 464
Unrealized gain on foreign exchange contracts	—	1
Dividends receivable, interest accrued and other assets	2 007	1 285
TOTAL ASSETS	1 030 536	819 503
LIABILITIES		
Bank overdraft	6 262	—
Due to investment dealers	471	3 867
Redemptions payable	459	393
Unrealized loss on foreign exchange contracts	8	—
Distributions payable	1	—
Accounts payable and accrued expenses	277	235
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	7 478	4 495
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 023 058	\$ 815 008
Investments at cost	\$ 1 008 639	\$ 647 165
NAV		
SERIES A	\$ 45 421	\$ 40 513
ADVISOR SERIES	\$ 6 014	\$ 5 189
SERIES D	\$ 9 643	\$ 10 892
SERIES F	\$ 51 202	\$ 41 123
SERIES O	\$ 910 778	\$ 717 291
NAV PER UNIT		
SERIES A	\$ 12.27	\$ 14.49
ADVISOR SERIES	\$ 12.29	\$ 14.51
SERIES D	\$ 12.48	\$ 14.67
SERIES F	\$ 12.62	\$ 14.82
SERIES O	\$ 12.30	\$ 14.40

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 33 196	\$ 18 542
Interest for distribution purposes	68	53
Derivative income	(697)	1 708
Net realized gain (loss) on investments	28 488	49 360
Change in unrealized gain (loss) on investments	(147 981)	105 353
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(86 926)	175 016
Other income (loss)	74	15
Securities lending revenue (see note 7 in the generic notes)	96	62
Net gain (loss) on foreign cash balances	(2 533)	(1 481)
TOTAL OTHER INCOME (LOSS)	(2 363)	(1 404)
TOTAL INCOME (LOSS)	(89 289)	173 612
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 615	929
Administration fees	1 375	1 537
Independent Review Committee costs	2	3
GST/HST	320	263
Transaction costs	2 633	2 079
Withholding tax	3 660	2 306
TOTAL EXPENSES	9 605	7 117
INCREASE (DECREASE) IN NAV	\$ (98 894)	\$ 166 495
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (7 007)	\$ 6 115
ADVISOR SERIES	\$ (963)	\$ 790
SERIES D	\$ (1 454)	\$ 1 557
SERIES F	\$ (6 763)	\$ 7 033
SERIES O	\$ (82 707)	\$ 151 000
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.95)	\$ 2.93
ADVISOR SERIES	\$ (1.99)	\$ 2.94
SERIES D	\$ (1.70)	\$ 2.96
SERIES F	\$ (1.86)	\$ 3.26
SERIES O	\$ (1.43)	\$ 3.35



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (98 894)	\$ 166 495
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(24 724)	(49 049)
Change in unrealized loss (gain) on investments	147 981	(105 353)
(Increase) decrease in accrued receivables	(722)	(127)
Increase (decrease) in accrued payables	42	62
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(980 244)	(548 164)
Proceeds from sale and maturity of investments	634 260	405 592
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(322 301)	(130 544)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	454 911	195 428
Cash paid on redemption of redeemable units	(143 502)	(57 397)
Distributions paid to holders of redeemable units	(4 700)	(3 059)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 306 709	\$ 134 972
Net increase (decrease) in cash for the period	(15 592)	4 428
Cash (bank overdraft), beginning of period	9 330	4 902
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (6 262)	\$ 9 330
Interest received (paid)	\$ 68	\$ 53
Dividends received, net of withholding taxes	\$ 28 888	\$ 16 124

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 40 513	\$ 16 137	\$ 5 189	\$ 2 338	\$ 10 892	\$ 3 348	\$ 41 123	\$ 20 510
INCREASE (DECREASE) IN NAV	(7 007)	6 115	(963)	790	(1 454)	1 557	(6 763)	7 033
Early redemption fees	—	—	—	—	6	—	—	—
Proceeds from redeemable units issued	28 651	26 547	5 077	2 836	13 864	9 575	42 266	22 726
Reinvestments of distributions to holders of redeemable units	1 923	851	234	103	457	274	1 754	707
Redemption of redeemable units	(16 685)	(8 266)	(3 263)	(767)	(13 660)	(3 586)	(24 736)	(8 758)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	13 889	19 132	2 048	2 172	667	6 263	19 284	14 675
Distributions from net income	(712)	(224)	(93)	(27)	(192)	(102)	(1 013)	(453)
Distributions from net gains	(1 262)	(647)	(167)	(84)	(270)	(174)	(1 429)	(642)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 974)	(871)	(260)	(111)	(462)	(276)	(2 442)	(1 095)
NET INCREASE (DECREASE) IN NAV	4 908	24 376	825	2 851	(1 249)	7 544	10 079	20 613
NAV AT END OF PERIOD	\$ 45 421	\$ 40 513	\$ 6 014	\$ 5 189	\$ 9 643	\$ 10 892	\$ 51 202	\$ 41 123

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 717 291	\$ 471 003	\$ 815 008	\$ 513 336
INCREASE (DECREASE) IN NAV	(82 707)	151 000	(98 894)	166 495
Early redemption fees	—	—	6	—
Proceeds from redeemable units issued	373 245	138 475	463 103	200 159
Reinvestments of distributions to holders of redeemable units	42 907	23 531	47 275	25 466
Redemption of redeemable units	(93 120)	(40 546)	(151 464)	(61 923)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	323 032	121 460	358 920	163 702
Distributions from net income	(21 618)	(14 576)	(23 628)	(15 382)
Distributions from net gains	(25 220)	(11 596)	(28 348)	(13 143)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(46 838)	(26 172)	(51 976)	(28 525)
NET INCREASE (DECREASE) IN NAV	193 487	246 288	208 050	301 672
NAV AT END OF PERIOD	\$ 910 778	\$ 717 291	\$ 1 023 058	\$ 815 008

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
China	28.8	25.0
South Korea	11.1	16.6
India	8.7	7.9
Taiwan	8.6	11.1
Brazil	6.9	9.0
South Africa	6.7	5.6
Russia	5.4	5.9
Indonesia	3.3	2.9
Mexico	2.5	1.6
Thailand	1.4	1.9
Other Countries	16.4	11.6
Cash/Other	0.2	0.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Hong Kong dollar	27.0	19.7
United States dollar	12.3	15.9
South Korean won	11.1	16.6
Indian rupee	8.7	7.9
New Taiwan dollar	8.6	11.1
South African rand	6.7	5.6
Brazilian real	5.7	7.5
Indonesian rupiah	3.3	3.1
Hungarian forint	2.6	1.5
Turkish new lira	2.2	1.4
Chinese renminbi	2.1	1.7
Colombian peso	1.6	0.7
Mexican peso	1.5	1.6
Thailand baht	1.4	1.9
Philippine peso	1.2	0.5
Russian ruble	1.2	1.0

Currency	December 31 2018	December 31 2017
Chilean peso	0.7	—
Polish zloty	0.5	—
Bangladesh taka	0.5	0.8
Nigerian naira	—	0.7
Pakistani rupee	—	0.6
Other currencies	0.8	—
Total	99.7	99.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Total		
Return Net Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	160 572	860 153	—	1 020 725
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	200	—	200
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(8)	—	(8)
Total financial instruments	160 572	860 345	—	1 020 917
% of total portfolio	15.7	84.3	—	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	162 336	644 887	—	807 223
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	200	—	200
Derivatives – assets	—	1	—	1
Derivatives – liabilities	—	—	—	—
Total financial instruments	162 336	645 088	—	807 424
% of total portfolio	20.1	79.9	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.85%	0.15%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series O	n/a†	0.15%

* Effective October 2, 2017, the administration fees for Series A, Advisor Series, Series D and Series F units were reduced to 0.15% from 0.35%; and for Series O units were reduced to 0.15% from 0.25%.

† Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	110	105
Series D	113	108
Series F	113	108
Value of all units	4	5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 796	1 380
Issued number of units	1 959	1 964
Reinvested number of units	155	60
Redeemed number of units	(1 209)	(608)
Ending number of units	3 701	2 796

Advisor Series

Opening units	358	200
Issued number of units	345	207
Reinvested number of units	19	7
Redeemed number of units	(233)	(56)
Ending number of units	489	358

Series D

Opening units	743	284
Issued number of units	953	698
Reinvested number of units	36	19
Redeemed number of units	(959)	(258)
Ending number of units	773	743

Series F

Opening units	2 776	1 723
Issued number of units	2 953	1 640
Reinvested number of units	137	49
Redeemed number of units	(1 809)	(636)
Ending number of units	4 057	2 776

Series O

Opening units	49 810	40 749
Issued number of units	27 808	10 428
Reinvested number of units	3 435	1 682
Redeemed number of units	(7 000)	(3 049)
Ending number of units	74 053	49 810

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	2 633	100	2 079	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	1 107	42	1 075	52

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	73 841	76 589
Fair value of collateral received	75 318	78 121

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	133	100	88	100
RBC IS (paid)	(34)	(25)	(23)	(26)
Tax withheld	(3)	(2)	(3)	(3)
Fund revenue	96	73	62	71

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Fund	2.2	3.6
RBC Balanced Growth & Income Class	1.7	2.1
RBC Balanced Growth & Income Fund	15.1	18.6
RBC Conservative Growth & Income Fund	0.6	0.7
RBC Emerging Markets Multi-Strategy Equity Fund	12.5	11.1
RBC Global Balanced Fund	0.2	0.4
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Select Aggressive Growth Portfolio	3.3	3.6
RBC Select Balanced Portfolio	18.0	20.0
RBC Select Choices Aggressive Growth Portfolio	0.3	—
RBC Select Choices Balanced Portfolio	0.2	—
RBC Select Choices Growth Portfolio	0.3	—
RBC Select Growth Portfolio	10.1	12.6
RBC Total Return Growth Fund	—	—
Total	64.5	72.7

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	—	(8)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	—	(8)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	—	(8)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	—
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1	—
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	1	—



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC EMERGING MARKETS EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Argentina				
815 200	Grupo Financiero Galicia S.A. ADR	\$ 57 198	\$ 30 683	
		57 198	30 683	0.7
Bangladesh				
29 029 953	BRAC Bank Ltd.	33 913	34 433	
		33 913	34 433	0.8
Brazil				
6 207 600	Banco Bradesco S.A.	59 932	74 016	
7 013 100	Banco do Brasil S.A.	95 316	114 844	
4 379 900	Natura Cosmeticos S.A.	53 604	69 425	
2 585 800	Raia Drogasil S.A.	71 100	52 054	
		279 952	310 339	7.1
China				
293 600	Alibaba Group Holding Ltd. ADR	37 641	54 941	
296 500	Baidu.com Inc. ADR	64 133	64 322	
11 710 000	China Merchants Port Holdings Co. Ltd.	42 366	28 744	
8 395 000	China Mobile (Hong Kong) Ltd.	102 391	110 902	
9 584 000	China Resources Land Ltd.	25 757	50 330	
43 928 000	Dali Foods Group Co. Ltd.	50 237	44 244	
20 270 611	Fuyao Glass Industry Group Co. Ltd.	97 823	88 756	
3 663 280	Midea Group Co. Ltd.	30 587	27 012	
9 089 000	Ping An Insurance Group Company of China Ltd.	109 076	109 466	
7 861 000	Real Gold Mining Ltd.	12 722	—	
3 214 795	Weifu High-Technology Group Co. Ltd.	14 079	7 607	
		586 812	586 324	13.4
Hong Kong				
17 612 400	AIA Group Ltd.	130 763	199 733	
14 633 000	Samsonite International S.A.	50 303	56 751	
		181 066	256 484	5.9
India				
2 074 958	Dr. Reddy's Laboratories Ltd. ADR	120 992	106 837	
1 198 000	Hero Motocorp Ltd.	60 483	72 675	
6 126 194	Housing Development Finance Corp.	136 907	235 635	
4 310 856	Tata Consultancy Services Ltd.	116 944	159 576	
		435 326	574 723	13.2
Indonesia				
31 191 500	PT Bank Central Asia Tbk	42 406	77 008	
679 144 800	PT Kalbe Farma Tbk	97 753	97 961	
		140 159	174 969	4.0
Japan				
817 500	SoftBank Group Corp.	88 263	73 100	
		88 263	73 100	1.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Malaysia				
5 482 800	Public Bank Berhad	\$ 27 793	\$ 44 812	
		27 793	44 812	1.0
Mexico				
777 600	Fomento Economico Mexicano S.A. ADR	96 588	91 349	
8 014 100	Kimberly-Clark de Mexico S.A.	21 762	17 353	
379 347	Ternium S.A. ADR	16 035	14 035	
		134 385	122 737	2.8
Nigeria				
237 293 930	Guaranty Trust Bank Plc.	34 431	30 595	
		34 431	30 595	0.7
Peru				
387 500	Credicorp Ltd.	68 564	117 354	
		68 564	117 354	2.7
Philippines				
5 749 392	SM Investments Corp.	88 216	136 933	
		88 216	136 933	3.1
South Africa				
4 400 677	Clicks Group Ltd.	42 985	79 870	
2 081 898	Discovery Ltd.	29 755	31 559	
13 271 918	FirstRand Ltd.	63 518	82 529	
2 590 269	Mondi Ltd.	76 674	76 173	
907 268	Naspers Ltd.	174 206	247 989	
1 634 759	Shoprite Holdings Ltd.	34 700	29 481	
		421 838	547 601	12.5
South Korea				
164 484	Amorepacific Corp.	66 365	42 251	
3 156 499	Hanon Systems Corp.	34 038	41 759	
129 479	NCSoft Corp.	63 495	74 095	
229 708	Samsung Fire & Marine Insurance Co. Ltd.	61 743	75 407	
21 137	Samsung Fire & Marine Insurance Co. Ltd. Preference	2 883	4 491	
2 081 134	Shinhan Financial Group Co. Ltd.	102 916	100 737	
		331 440	338 740	7.8
Taiwan				
58 467 417	E.Sun Financial Holding Co. Ltd.	47 044	52 215	
5 691 000	Giant Manufacturing Co. Ltd.	43 576	36 466	
4 676 000	MediaTek Inc.	49 282	47 511	
22 092 259	Standard Foods Corp.	49 758	48 738	
21 798 000	Taiwan Semiconductor Manufacturing Co. Ltd.	122 691	216 084	
31 017 000	Uni-President Enterprises Corp.	73 665	96 065	
		386 016	497 079	11.4
Thailand				
23 525 800	Delta Electronics Thailand PCL	69 756	68 585	
7 208 100	Kasikornbank PCL	58 212	55 978	
		127 968	124 563	2.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Turkey				
51 367 873	ENKA Insaat ve Sanayi A.S.	\$ 86 198	\$ 60 710	
		86 198	60 710	1.4
United Kingdom				
9 095 629	Antofagasta Plc.	105 071	124 192	
2 234 619	Unilever Plc.	142 090	160 170	
		247 161	284 362	6.5
TOTAL EQUITIES		3 756 699	4 346 541	99.5
SHORT-TERM INVESTMENTS*		3 000	3 000	0.1
TOTAL INVESTMENTS		3 759 699	4 349 541	99.6
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	17	–
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	(1)	–
TOTAL PORTFOLIO		<u>\$3 759 699</u>	<u>4 349 557</u>	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			16 415	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$4 365 972</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HKD 826 Sold USD 105 @ 7.8297	02-Jan-2019	\$ –
Bought ZAR 26 012 Sold USD 1 795 @ 14.4886	02-Jan-2019	17
Bought HKD 405 Sold USD 52 @ 7.8298	03-Jan-2019	–
		<u>\$ 17</u>
Contracts	Maturity Date	Unrealized Loss
Bought USD 534 Sold ZAR 7 691 @ 0.0695	03-Jan-2019	\$ (1)
		<u>\$ (1)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ 16</u>

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 4 349 541	\$ 3 744 210
Cash	12 007	42 162
Due from investment dealers	2 202	1 028
Subscriptions receivable	4 443	4 142
Unrealized gain on foreign exchange contracts	17	1
Dividends receivable, interest accrued and other assets	8 637	7 004
TOTAL ASSETS	4 376 847	3 798 547
LIABILITIES		
Due to investment dealers	8 246	8 341
Redemptions payable	1 297	731
Unrealized loss on foreign exchange contracts	1	2
Distributions payable	28	6
Accounts payable and accrued expenses	1 303	1 134
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	10 875	10 214
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 4 365 972	\$ 3 788 333
Investments at cost	\$ 3 759 699	\$ 2 726 243
NAV		
SERIES A	\$ 150 643	\$ 153 345
ADVISOR SERIES	\$ 51 527	\$ 46 086
SERIES T5	\$ 619	\$ 110
SERIES D	\$ 51 487	\$ 52 594
SERIES F	\$ 429 722	\$ 336 369
SERIES FT5	\$ 3 870	\$ 1 653
SERIES O	\$ 3 678 104	\$ 3 198 176
NAV PER UNIT		
SERIES A	\$ 16.15	\$ 17.64
ADVISOR SERIES	\$ 16.12	\$ 17.61
SERIES T5	\$ 15.49	\$ 16.97
SERIES D	\$ 16.49	\$ 18.02
SERIES F	\$ 16.60	\$ 18.14
SERIES FT5	\$ 15.97	\$ 17.60
SERIES O	\$ 16.65	\$ 18.19

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 104 552	\$ 73 248
Interest for distribution purposes	1 427	236
Derivative income	457	(237)
Net realized gain (loss) on investments	262 352	107 797
Change in unrealized gain (loss) on investments	(428 108)	615 465
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(59 320)	796 509
Other income (loss)	1	–
Securities lending revenue		
(see note 7 in the generic notes)	272	425
Net gain (loss) on foreign cash balances	3 632	(6 238)
TOTAL OTHER INCOME (LOSS)	3 905	(5 813)
TOTAL INCOME (LOSS)	(55 415)	790 696
EXPENSES (see notes – Fund Specific Information)		
Management fees	7 674	5 287
Administration fees	6 214	7 312
Independent Review Committee costs	2	3
GST/HST	1 423	1 253
Transaction costs	4 242	3 625
Withholding tax	11 546	7 567
TOTAL EXPENSES	31 101	25 047
INCREASE (DECREASE) IN NAV	\$ (86 516)	\$ 765 649
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (6 941)	\$ 28 828
ADVISOR SERIES	\$ (2 378)	\$ 7 835
SERIES T5	\$ (37)	\$ 8
SERIES D	\$ (1 876)	\$ 9 023
SERIES F	\$ (14 867)	\$ 51 121
SERIES FT5	\$ (52)	\$ 84
SERIES O	\$ (60 365)	\$ 668 750
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.75)	\$ 3.54
ADVISOR SERIES	\$ (0.78)	\$ 3.49
SERIES T5	\$ (1.14)	\$ 1.90
SERIES D	\$ (0.61)	\$ 3.66
SERIES F	\$ (0.62)	\$ 3.67
SERIES FT5	\$ (0.33)	\$ 2.37
SERIES O	\$ (0.31)	\$ 4.12

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (86 516)	\$ 765 649
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(261 573)	(105 584)
Change in unrealized loss (gain) on investments	428 108	(615 465)
(Increase) decrease in accrued receivables	(1 633)	198
Increase (decrease) in accrued payables	169	154
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 158 504)	(1 514 693)
Proceeds from sale and maturity of investments	1 385 352	1 112 151
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(694 597)	(357 590)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 327 687	766 707
Cash paid on redemption of redeemable units	(631 759)	(398 843)
Distributions paid to holders of redeemable units	(31 486)	(6 266)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 664 442	\$ 361 598
Net increase (decrease) in cash for the period	(30 155)	4 008
Cash (bank overdraft), beginning of period	42 162	38 154
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 12 007	\$ 42 162
Interest received (paid)	\$ 1 427	\$ 236
Dividends received, net of withholding taxes	\$ 91 373	\$ 65 880

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 153 345	\$ 109 012	\$ 46 086	\$ 27 669	\$ 110	\$ —	\$ 52 594	\$ 30 009
INCREASE (DECREASE) IN NAV	(6 941)	28 828	(2 378)	7 835	(37)	8	(1 876)	9 023
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	47 733	45 992	20 557	19 062	812	147	22 420	23 566
Reinvestments of distributions to holders of redeemable units	7 058	—	2 379	—	8	2	2 882	246
Redemption of redeemable units	(43 435)	(30 487)	(12 668)	(8 480)	(247)	(44)	(21 602)	(9 999)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	11 356	15 505	10 268	10 582	573	105	3 700	13 813
Distributions from net income	—	—	—	—	—	—	(461)	(251)
Distributions from net gains	(7 117)	—	(2 449)	—	(22)	—	(2 470)	—
Distributions from capital	—	—	—	—	(5)	(3)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(7 117)	—	(2 449)	—	(27)	(3)	(2 931)	(251)
NET INCREASE (DECREASE) IN NAV	(2 702)	44 333	5 441	18 417	509	110	(1 107)	22 585
NAV AT END OF PERIOD	\$ 150 643	\$ 153 345	\$ 51 527	\$ 46 086	\$ 619	\$ 110	\$ 51 487	\$ 52 594

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 336 369	\$ 138 306	\$ 1 653	\$ —	\$ 3 198 176	\$ 2 297 657	\$ 3 788 333	\$ 2 602 653
INCREASE (DECREASE) IN NAV	(14 867)	51 121	(52)	84	(60 365)	668 750	(86 516)	765 649
Early redemption fees	2	—	—	—	—	—	2	—
Proceeds from redeemable units issued	268 143	197 877	3 961	1 688	998 406	555 233	1 362 032	843 565
Reinvestments of distributions to holders of redeemable units	17 893	1 721	75	2	223 001	44 324	253 296	46 295
Redemption of redeemable units	(152 755)	(50 183)	(1 553)	(95)	(434 111)	(317 974)	(666 371)	(417 262)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	133 283	149 415	2 483	1 595	787 296	281 583	948 959	472 598
Distributions from net income	(4 917)	(2 473)	(32)	(5)	(72 086)	(49 814)	(77 496)	(52 543)
Distributions from net gains	(20 146)	—	(182)	—	(174 917)	—	(207 303)	—
Distributions from capital	—	—	—	(21)	—	—	(5)	(24)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(25 063)	(2 473)	(214)	(26)	(247 003)	(49 814)	(284 804)	(52 567)
NET INCREASE (DECREASE) IN NAV	93 353	198 063	2 217	1 653	479 928	900 519	577 639	1 185 680
NAV AT END OF PERIOD	\$ 429 722	\$ 336 369	\$ 3 870	\$ 1 653	\$ 3 678 104	\$ 3 198 176	\$ 4 365 972	\$ 3 788 333

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of companies located or active in emerging markets.

Series T5 and Series FT5 units were started February 15, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
China	13.4	15.9
India	13.2	12.3
South Africa	12.5	13.5
Taiwan	11.4	9.1
South Korea	7.8	10.6
Brazil	7.1	6.2
United Kingdom	6.5	5.9
Hong Kong	5.9	5.5
Indonesia	4.0	3.6
Philippines	3.1	3.1
Thailand	2.8	2.6
Peru	2.7	2.5
Malaysia	1.0	1.0
Other Countries	8.1	7.0
Cash/Other	0.5	1.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Hong Kong dollar	15.9	12.6
South African rand	12.6	13.6
New Taiwan dollar	11.5	9.1
United States dollar	11.1	15.7
Indian rupee	10.7	9.7
South Korean won	7.7	10.6
Brazilian real	7.1	3.2
Pound sterling	6.5	5.9
Indonesian rupiah	4.0	3.6
Philippine peso	3.1	3.1
Thailand baht	2.9	2.5
Japanese yen	1.7	–
Turkish new lira	1.4	1.8

Currency	December 31 2018	December 31 2017
Malaysian ringgit	1.0	1.0
Bangladesh taka	0.8	0.9
Nigerian naira	0.7	0.7
Chinese renminbi	0.7	3.7
Chilean peso	–	1.3
Mexican peso	–	0.9
Other currencies	0.4	–
Total	99.8	99.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Total		
Return Net Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	807 213	3 539 328	–	4 346 541
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	3 000	–	3 000
Derivatives – assets	–	17	–	17
Derivatives – liabilities	–	(1)	–	(1)
Total financial instruments	807 213	3 542 344	–	4 349 557
% of total portfolio	18.6	81.4	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	744 691	2 996 519	–	3 741 210
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	3 000	–	3 000
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	(2)	–	(2)
Total financial instruments	744 691	2 999 518	–	3 744 209
% of total portfolio	19.9	80.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.85%	0.15%
Advisor Series	1.85%	0.15%
Series T5	1.85%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a [†]	0.15%

* Effective October 2, 2017, the administration fees for Series A, Advisor Series, Series T5, Series D, Series F and Series FT5 units were reduced to 0.15% from 0.35%; and for Series O units were reduced to 0.15% from 0.25%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	74	70
Series FT5	73	68
Value of all units	2	2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	8 694	7 763
Issued number of units	2 722	2 829
Reinvested number of units	447	–
Redeemed number of units	(2 534)	(1 898)
Ending number of units	9 329	8 694

Advisor Series

Opening units	2 617	1 974
Issued number of units	1 171	1 174
Reinvested number of units	151	–
Redeemed number of units	(742)	(531)
Ending number of units	3 197	2 617

Series T5

Opening units	6	–
Issued number of units	49	9
Reinvested number of units	1	–
Redeemed number of units	(16)	(3)
Ending number of units	40	6

Series D

Opening units	2 919	2 102
Issued number of units	1 247	1 408
Reinvested number of units	179	14
Redeemed number of units	(1 223)	(605)
Ending number of units	3 122	2 919

Series F

Opening units	18 539	9 619
Issued number of units	14 989	11 831
Reinvested number of units	1 102	95
Redeemed number of units	(8 742)	(3 006)
Ending number of units	25 888	18 539

Series FT5

Opening units	94	–
Issued number of units	235	100
Reinvested number of units	5	–
Redeemed number of units	(92)	(6)
Ending number of units	242	94

Series O

Opening units	175 779	159 446
Issued number of units	55 826	32 798
Reinvested number of units	13 693	2 452
Redeemed number of units	(24 376)	(18 917)
Ending number of units	220 922	175 779



December 31, 2018

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	4 242	100	3 625	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	1 715	40	1 968	54

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	140 302		155 981	
Fair value of collateral received	143 108		159 101	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	368	100	605	100
RBC IS (paid)	(92)	(25)	(170)	(28)
Tax withheld	(4)	(1)	(10)	(2)
Fund revenue	272	74	425	70

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018		December 31 2017	
Phillips, Hager & North Balanced Fund	0.9		1.0	
Phillips, Hager & North Balanced Pension Trust	1.2		1.4	
Phillips, Hager & North LifeTime 2020 Fund	—		—	
Phillips, Hager & North LifeTime 2025 Fund	—		—	
Phillips, Hager & North LifeTime 2030 Fund	—		—	
Phillips, Hager & North LifeTime 2035 Fund	0.1		0.1	
Phillips, Hager & North LifeTime 2040 Fund	0.1		0.1	
Phillips, Hager & North LifeTime 2045 Fund	0.2		0.2	
Phillips, Hager & North LifeTime 2050 Fund	0.1		0.1	
Phillips, Hager & North LifeTime 2055 Fund	—		—	
RBC Balanced Fund	4.1		5.6	

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
RBC Emerging Markets Equity Class	5.7	4.3
RBC Emerging Markets Multi-Strategy Equity Fund	3.6	3.7
RBC Global Balanced Fund	0.6	0.7
RBC Global Growth & Income Fund	0.6	0.2
RBC Retirement 2020 Portfolio	—	—
RBC Retirement 2025 Portfolio	—	—
RBC Retirement 2030 Portfolio	—	—
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Select Aggressive Growth Portfolio	3.0	3.1
RBC Select Balanced Portfolio	25.1	25.6
RBC Select Choices Aggressive Growth Portfolio	0.3	0.5
RBC Select Choices Balanced Portfolio	0.2	0.4
RBC Select Choices Growth Portfolio	0.3	0.5
RBC Select Growth Portfolio	9.6	10.2
RBC Target 2020 Education Fund	0.1	0.2
RBC Target 2025 Education Fund	0.5	0.8
RBC Target 2030 Education Fund	0.7	0.6
RBC Target 2035 Education Fund	0.1	—
RBC Total Return Growth Fund	—	—
Total	57.1	59.3

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	17	(1)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	17	(1)
Related amounts not set-off	(1)	1
Collateral (received) pledged	—	—
Net amount	16	—

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	(2)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1	(2)
Related amounts not set-off	(1)	1
Collateral (received) pledged	—	—
Net amount	—	(1)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC EMERGING MARKETS SMALL-CAP EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Bangladesh				
4 370 967	Delta Brac Housing Finance Corp. Ltd.	\$ 8 954	\$ 9 208	
		8 954	9 208	1.6
Brazil				
4 232 300	Duratex S.A.	13 673	17 636	
3 620 500	Grendene S.A.	10 054	10 457	
498 200	Natura Cosmeticos S.A.	4 457	7 897	
607 900	Wilson Sons Ltd. BDR	8 730	8 565	
		36 914	44 555	7.8
Chile				
6 629 137	Inversiones Aguas Metropolitanas S.A.	12 838	13 207	
284 809	Inversiones La Construccion S.A.	6 298	6 249	
2 780 385	Parque Arauco S.A.	6 872	8 450	
		26 008	27 906	4.8
China				
24 390 000	China BlueChemical Ltd.	9 388	10 461	
17 195 000	China Overseas Property Holdings Ltd.	7 419	6 857	
17 895 000	Goodbaby International Holdings Ltd.	11 514	7 674	
12 864 000	Greatview Aseptic Packaging Co. Ltd.	10 703	9 569	
6 033 062	Luthai Textile Co. Ltd.	10 584	9 747	
		49 608	44 308	7.7
Egypt				
1 106 870	Integrated Diagnostics Holdings Plc.	6 337	6 293	
		6 337	6 293	1.1
Hong Kong				
8 136 000	Public Financial Holdings Ltd.	4 860	4 562	
3 005 600	Samsonite International S.A.	12 119	11 657	
2 638 000	Vitasoy International Holdings Ltd.	7 201	13 709	
		24 180	29 928	5.2
India				
331 125	Bajaj Holdings & Investment Ltd.	12 536	19 100	
991 096	Godrej Industries Ltd.	8 255	10 579	
1 978 871	Infotech Enterprises Ltd.	21 331	24 002	
2 669 555	Marico Ltd.	9 827	19 483	
504 093	Sundaram Finance Ltd.	12 527	14 175	
1 151 597	TI Financial Holdings Ltd.	7 592	11 851	
889 545	Tube Investments of India Ltd.	4 119	6 197	
		76 187	105 387	18.3
Indonesia				
22 590 400	PT Acset Indonusa Tbk	7 065	3 340	
59 254 500	PT Selamat Sempurna Tbk	6 167	7 877	
		13 232	11 217	2.0

Holdings	Security	Cost	Fair Value	% of Net Assets
Malaysia				
7 593 300	Bermaz Auto Berhad	\$ 5 173	\$ 5 390	
1 195 020	LPI Capital Berhad	4 481	6 212	
		9 654	11 602	2.0
Mexico				
5 569 100	Corp Inmobiliaria Vesta S.A.B. de C.V.	10 913	10 266	
3 533 797	Grupo Herdez S.A.B. de C.V.	10 540	10 065	
		21 453	20 331	3.5
Nigeria				
42 783 301	Guaranty Trust Bank Plc.	6 791	5 516	
		6 791	5 516	1.0
Pakistan				
1 338 800	Packages Ltd.	8 186	5 091	
		8 186	5 091	0.9
Philippines				
58 048 550	Century Pacific Food Inc.	21 684	22 909	
22 789 499	Integrated Micro-Electronics Inc.	8 341	6 263	
1 395 150	Security Bank Corp.	5 457	5 616	
1 260 000	Security Bank Corp., Preferred, 3.900%	3	3	
		35 485	34 791	6.0
South Africa				
2 517 264	AVI Ltd.	26 233	24 372	
762 561	JSE Ltd.	11 933	11 982	
		38 166	36 354	6.3
South Korea				
58 272	Amorepacific Corp. Preference	8 246	7 331	
878 380	DGB Financial Group Inc.	11 369	8 933	
128 535	Koh Young Technology Inc.	8 672	12 991	
99 530	LEENO Industrial Inc.	6 647	5 727	
651 789	Macquarie Korea Infrastructure Fund	6 639	7 408	
8 472	Medy-Tox Inc.	5 354	6 010	
		46 927	48 400	8.4
Sri Lanka				
6 193 418	Hatton National Bank Plc.	12 126	9 889	
		12 126	9 889	1.7
Taiwan				
2 261 000	Chroma ATE Inc.	8 116	11 863	
722 000	Giant Manufacturing Co. Ltd.	5 942	4 626	
1 139 000	Pacific Hospital Supply Co. Ltd.	3 722	3 496	
273 680	Poya International Co. Ltd.	4 433	3 850	
4 457 234	Standard Foods Corp.	11 135	9 833	
405 000	Voltronic Power Technology Corp.	9 373	9 628	
3 894 882	Wistron NeWeb Corp.	14 121	13 837	
		56 842	57 133	9.9

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Thailand				
1 810 000	Aeon Thana Sinsap Thailand PCL, Subscription Receipts	\$ 6 418	\$ 13 823	
5 392 400	Delta Electronics Thailand PCL	13 757	15 721	
10 914 600	MC Group PCL	5 445	4 990	
		25 620	34 534	6.0
United Arab Emirates				
8 293 954	Aramex PJSC, Participation Notes	10 880	13 190	
		10 880	13 190	2.3
TOTAL EQUITIES		513 550	555 633	96.5
SHORT-TERM INVESTMENTS*		200	200	—
TOTAL INVESTMENTS		513 750	555 833	96.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	5	—
TOTAL PORTFOLIO		\$ 513 750	555 838	96.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			20 141	3.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 575 979		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HKD 6 513 Sold USD 832 @ 7.8297	02-Jan-2019	\$ —
Bought MXN 1 636 Sold USD 83 @ 19.6640	02-Jan-2019	—
Bought ZAR 7 959 Sold USD 549 @ 14.4886	02-Jan-2019	5
Bought HKD 545 Sold USD 70 @ 7.8322	03-Jan-2019	—
Bought HKD 1 051 Sold USD 134 @ 7.8298	03-Jan-2019	—
Bought HKD 616 Sold USD 79 @ 7.8312	04-Jan-2019	—
TOTAL FOREIGN EXCHANGE		\$ 5

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 555 833	\$ 471 744
Cash	24 143	19 133
Due from investment dealers	464	—
Subscriptions receivable	906	595
Unrealized gain on foreign exchange contracts	5	—
Dividends receivable, interest accrued and other assets	1 985	764
TOTAL ASSETS	583 336	492 236
LIABILITIES		
Due to investment dealers	7 148	—
Redemptions payable	73	285
Distributions payable	2	—
Accounts payable and accrued expenses	134	117
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	7 357	402
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 575 979	\$ 491 834
Investments at cost	\$ 513 750	\$ 392 691
NAV		
SERIES A	\$ 6 055	\$ 6 071
ADVISOR SERIES	\$ 3 236	\$ 3 434
SERIES D	\$ 4 375	\$ 4 486
SERIES F	\$ 43 506	\$ 33 207
SERIES O	\$ 518 807	\$ 444 636
NAV PER UNIT		
SERIES A	\$ 13.46	\$ 14.18
ADVISOR SERIES	\$ 13.42	\$ 14.13
SERIES D	\$ 13.61	\$ 14.33
SERIES F	\$ 13.68	\$ 14.41
SERIES O	\$ 13.73	\$ 14.47

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 16 940	\$ 15 895
Interest for distribution purposes	497	72
Derivative income	(164)	391
Net realized gain (loss) on investments	12 096	11 668
Change in unrealized gain (loss) on investments	(36 965)	49 625
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(7 596)	77 651
Other income (loss)	1	—
Securities lending revenue (see note 7 in the generic notes)	16	44
Net gain (loss) on foreign cash balances	2 480	(2 340)
TOTAL OTHER INCOME (LOSS)	2 497	(2 296)
TOTAL INCOME (LOSS)	(5 099)	75 355
EXPENSES (see notes – Fund Specific Information)		
Management fees	562	444
Administration fees	819	1 025
Independent Review Committee costs	2	3
GST/HST	150	124
Transaction costs	689	669
Withholding tax	1 628	1 214
TOTAL EXPENSES	3 850	3 479
INCREASE (DECREASE) IN NAV	\$ (8 949)	\$ 71 876
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (232)	\$ 609
ADVISOR SERIES	\$ (86)	\$ 408
SERIES D	\$ (147)	\$ 533
SERIES F	\$ (1 148)	\$ 4 530
SERIES O	\$ (7 336)	\$ 65 796
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.52)	\$ 1.61
ADVISOR SERIES	\$ (0.39)	\$ 1.83
SERIES D	\$ (0.45)	\$ 1.74
SERIES F	\$ (0.41)	\$ 2.21
SERIES O	\$ (0.21)	\$ 2.29



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (8 949)	\$ 71 876
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(11 767)	(11 683)
Change in unrealized loss (gain) on investments	36 965	(49 625)
(Increase) decrease in accrued receivables	(1 221)	(268)
Increase (decrease) in accrued payables	17	(6)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(237 907)	(184 607)
Proceeds from sale and maturity of investments	135 299	137 038
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(87 563)	(37 275)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	157 284	90 293
Cash paid on redemption of redeemable units	(62 630)	(44 639)
Distributions paid to holders of redeemable units	(2 081)	(1 833)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 92 573	\$ 43 821
Net increase (decrease) in cash for the period	5 010	6 546
Cash (bank overdraft), beginning of period	19 133	12 587
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 24 143	\$ 19 133
Interest received (paid)	\$ 497	\$ 72
Dividends received, net of withholding taxes	\$ 14 092	\$ 14 413

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 071	\$ 3 250	\$ 3 434	\$ 2 453	\$ 4 486	\$ 2 900	\$ 33 207	\$ 25 466
INCREASE (DECREASE) IN NAV	(232)	609	(86)	408	(147)	533	(1 148)	4 530
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	2 062	3 998	641	1 151	2 306	3 401	26 429	18 880
Reinvestments of distributions to holders of redeemable units	111	82	57	48	115	98	1 079	730
Redemption of redeemable units	(1 844)	(1 786)	(751)	(578)	(2 270)	(2 348)	(14 814)	(15 586)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	329	2 294	(53)	621	151	1 151	12 694	4 024
Distributions from net income	(20)	(47)	(9)	(27)	(48)	(72)	(585)	(619)
Distributions from net gains	(93)	(35)	(50)	(21)	(67)	(26)	(662)	(194)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(113)	(82)	(59)	(48)	(115)	(98)	(1 247)	(813)
NET INCREASE (DECREASE) IN NAV	(16)	2 821	(198)	981	(111)	1 586	10 299	7 741
NAV AT END OF PERIOD	\$ 6 055	\$ 6 071	\$ 3 236	\$ 3 434	\$ 4 375	\$ 4 486	\$ 43 506	\$ 33 207

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 444 636	\$ 348 422	\$ 491 834	\$ 382 491
INCREASE (DECREASE) IN NAV	(7 336)	65 796	(8 949)	71 876
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	131 951	58 004	163 389	85 434
Reinvestments of distributions to holders of redeemable units	18 170	13 448	19 532	14 406
Redemption of redeemable units	(48 533)	(25 836)	(68 212)	(46 134)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	101 588	45 616	114 709	53 706
Distributions from net income	(12 174)	(12 640)	(12 836)	(13 405)
Distributions from net gains	(7 907)	(2 558)	(8 779)	(2 834)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(20 081)	(15 198)	(21 615)	(16 239)
NET INCREASE (DECREASE) IN NAV	74 171	96 214	84 145	109 343
NAV AT END OF PERIOD	\$ 518 807	\$ 444 636	\$ 575 979	\$ 491 834

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of small-cap companies located or active in emerging markets.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
India	18.3	19.4
Taiwan	9.9	11.6
South Korea	8.4	10.6
Brazil	7.8	7.8
China	7.7	3.3
South Africa	6.3	6.0
Philippines	6.0	4.9
Thailand	6.0	7.2
Hong Kong	5.2	6.2
Chile	4.8	6.2
Mexico	3.5	2.9
United Arab Emirates	2.3	2.2
Indonesia	2.0	2.1
Other Countries	8.3	5.5
Cash/Other	3.5	4.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

Currency	December 31 2018	December 31 2017
Indian rupee	18.5	19.4
Hong Kong dollar	12.9	9.4
New Taiwan dollar	10.2	11.9
South Korean won	8.3	10.6
Brazilian real	7.6	7.8
United States dollar	6.7	6.9
South African rand	6.3	6.0
Philippine peso	6.0	4.9
Thailand baht	5.9	7.2
Chilean peso	4.8	6.2
Mexican peso	3.5	2.9
Indonesian rupiah	2.0	2.1
Malaysian ringgit	2.0	1.8
Bangladesh taka	1.6	0.5
Nigerian naira	1.0	0.7
Pakistani rupee	0.9	–
Pound sterling	–	1.4
Total	98.2	99.7

Please see the generic notes at the back of the financial statements.

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.9% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI Emerging Markets Small-Cap Total Return Net Index (CAD)	+ or - 0.8	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	92 792	462 841	–	555 633
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	200	–	200
Derivatives – assets	–	5	–	5
Derivatives – liabilities	–	–	–	–
Total financial instruments	92 792	463 046	–	555 838
% of total portfolio	16.7	83.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	83 409	388 335	–	471 744
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	83 409	388 335	–	471 744
% of total portfolio	17.7	82.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.85%	0.15%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series O	n/a [†]	0.15%

* Effective October 2, 2017, the administration fees for Series A, Advisor Series, Series D and Series F units were reduced to 0.15% from 0.35%; and for Series O units were reduced to 0.15% from 0.25%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	107	105
Series D	111	108
Series F	112	109
Value of all units	4	5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	428	262
Issued number of units	146	290
Reinvested number of units	8	6
Redeemed number of units	(132)	(130)
Ending number of units	450	428
Advisor Series		
Opening units	243	198
Issued number of units	47	84
Reinvested number of units	4	3
Redeemed number of units	(53)	(42)
Ending number of units	241	243

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	313	231
Issued number of units	158	243
Reinvested number of units	9	7
Redeemed number of units	(159)	(168)
Ending number of units	321	313
Series F		
Opening units	2 305	2 017
Issued number of units	1 855	1 353
Reinvested number of units	81	50
Redeemed number of units	(1 062)	(1 115)
Ending number of units	3 179	2 305
Series O		
Opening units	30 734	27 500
Issued number of units	9 104	4 135
Reinvested number of units	1 353	924
Redeemed number of units	(3 421)	(1 825)
Ending number of units	37 770	30 734

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	689	100	669	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	275	40	325	49

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	3 356	5 062
Fair value of collateral received	3 423	5 163

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	22	100	62	100
RBC IS (paid)	(6)	(25)	(18)	(29)
Tax withheld	—	—	—	—
Fund revenue	16	75	44	71



December 31, 2018

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Balanced Fund	4.1	5.8
RBC Emerging Markets Multi-Strategy Equity Fund	5.5	5.2
RBC Global Balanced Fund	0.4	0.6
RBC Retirement 2035 Portfolio	—	—
RBC Retirement 2040 Portfolio	—	—
RBC Retirement 2045 Portfolio	—	—
RBC Retirement 2050 Portfolio	—	—
RBC Select Aggressive Growth Portfolio	6.0	6.0
RBC Select Balanced Portfolio	32.7	28.4
RBC Select Choices Aggressive Growth Portfolio	0.6	—
RBC Select Choices Balanced Portfolio	0.3	—
RBC Select Choices Growth Portfolio	0.5	—
RBC Select Growth Portfolio	18.8	17.7
RBC Total Return Growth Fund	—	—
Total	68.9	63.7

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL DIVIDEND GROWTH FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Belgium				
797 970	Anheuser-Busch InBev S.A./N.V.	\$ 113 918	\$ 71 768	
		113 918	71 768	2.4
Denmark				
786 227	Novo Nordisk A/S	52 912	49 218	
		52 912	49 218	1.6
Germany				
2 462 752	Deutsche Post AG	99 511	91 818	
		99 511	91 818	3.1
Hong Kong				
6 345 391	AIA Group Ltd.	60 682	71 960	
		60 682	71 960	2.4
India				
530 698	HDFC Bank Ltd. ADR	47 624	75 019	
		47 624	75 019	2.5
Ireland				
357 338	Paddy Power Betfair Plc.	57 473	39 845	
		57 473	39 845	1.3
Japan				
2 466 300	Astellas Pharma Inc.	46 743	43 019	
1 791 277	MISUMI Group Inc.	63 735	51 518	
277 790	Nidec Corp.	39 111	42 910	
		149 589	137 447	4.6
Netherlands				
1 362 931	Unilever N.V.	98 875	100 797	
		98 875	100 797	3.4
South Africa				
167 035	Naspers Ltd.	33 753	45 657	
		33 753	45 657	1.5
Switzerland				
23 772	Partners Group Holding AG	23 331	19 743	
384 350	Roche Holdings AG Genusscheine	123 482	130 265	
		146 813	150 008	5.0
Taiwan				
2 766 209	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	102 161	139 331	
		102 161	139 331	4.6
United Kingdom				
825 607	Croda International Plc.	62 577	67 313	
1 406 530	InterContinental Hotels Group Plc.	77 398	103 869	
42 144 116	Lloyds TSB Group Plc.	50 043	37 926	
1 634 957	Royal Dutch Shell Plc., B Shares	57 592	66 733	
2 838 257	St. James's Place Plc.	46 838	46 667	
		294 448	322 508	10.8

Holdings	Security	Cost	Fair Value	% of Net Assets
United States				
398 000	American Water Works Co. Inc.	\$ 41 615	\$ 49 320	
3 028 663	Blackstone Group LP	113 916	123 256	
160 600	Broadcom Inc.	43 411	55 751	
940 400	Citigroup Inc.	85 020	66 817	
578 027	Danaher Corp.	58 214	81 374	
206 400	Ecolab Inc.	33 008	41 520	
750 703	EOG Resources Inc.	89 016	89 377	
720 544	Estée Lauder Companies Inc., Class A	90 154	127 978	
791 424	First Republic Bank	77 257	93 940	
738 321	Fortive Corp.	50 489	68 198	
166 706	Honeywell International Inc.	23 634	30 069	
779 579	JPMorgan Chase & Co.	77 271	104 012	
191 300	Linde Plc.	35 413	40 771	
192 800	MarketAxess Holdings Inc.	45 901	55 619	
1 365 400	Microsoft Corp.	152 253	189 508	
632 200	Occidental Petroleum Corp.	61 558	52 975	
321 200	PepsiCo Inc.	47 834	48 446	
226 800	Royal Caribbean Cruises Ltd.	33 753	30 274	
379 443	Sempra Energy	54 590	56 044	
2 259 122	TJX Companies Inc.	114 785	137 985	
441 675	UnitedHealth Group Incorporated	65 105	150 246	
		1 394 197	1 693 480	56.4
TOTAL GLOBAL EQUITIES		2 651 956	2 988 856	99.6
SHORT-TERM INVESTMENTS*		11 739	11 739	0.4
TOTAL INVESTMENTS		2 663 695	3 000 595	100.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	10	—
TOTAL PORTFOLIO		<u>\$2 663 695</u>	<u>3 000 605</u>	100.0
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(733)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$2 999 872</u>	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought DKK 1 449 Sold CAD 303 @ 4.7804	02-Jan-2019	\$ —
Bought ZAR 3 021 Sold CAD 284 @ 10.6212	02-Jan-2019	2
Bought HKD 2 552 Sold CAD 445 @ 5.7384	03-Jan-2019	—
Bought JPY 71 060 Sold CAD 878 @ 80.8928	08-Jan-2019	8
TOTAL FOREIGN EXCHANGE		\$ 10

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.22% to 2.24% and mature between January 15, 2019 and January 23, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 000 595	\$ 2 781 172
Cash	521	2 690
Subscriptions receivable	775	1 526
Unrealized gain on foreign exchange contracts	10	1
Dividends receivable, interest accrued and other assets	1 748	1 365
TOTAL ASSETS	3 003 649	2 786 754
LIABILITIES		
Due to investment dealers	1 920	1 314
Redemptions payable	757	746
Distributions payable	81	36
Accounts payable and accrued expenses	1 019	971
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 777	3 067
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 999 872	\$ 2 783 687
Investments at cost	\$ 2 663 695	\$ 2 336 283
NAV		
SERIES A	\$ 355 119	\$ 361 740
ADVISOR SERIES	\$ 75 374	\$ 71 734
SERIES T5	\$ 3 057	\$ 2 634
SERIES T8	\$ 7 885	\$ 6 207
SERIES D	\$ 37 041	\$ 32 042
SERIES F	\$ 153 084	\$ 102 878
SERIES FT5	\$ 794	\$ 590
SERIES O	\$ 2 367 518	\$ 2 205 862
NAV PER UNIT		
SERIES A	\$ 14.40	\$ 14.80
ADVISOR SERIES	\$ 14.57	\$ 14.98
SERIES T5	\$ 11.97	\$ 12.57
SERIES T8	\$ 8.44	\$ 9.14
SERIES D	\$ 14.63	\$ 15.05
SERIES F	\$ 15.60	\$ 16.03
SERIES FT5	\$ 14.64	\$ 15.20
SERIES O	\$ 14.53	\$ 14.96

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 71 595	\$ 68 469
Interest for distribution purposes	353	169
Derivative income	(816)	(814)
Net realized gain (loss) on investments	97 357	112 948
Change in unrealized gain (loss) on investments	(107 980)	316 007
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	60 509	496 779
Other income (loss)	27	–
Securities lending revenue (see note 7 in the generic notes)	642	173
Net gain (loss) on foreign cash balances	1 439	587
TOTAL OTHER INCOME (LOSS)	2 108	760
TOTAL INCOME (LOSS)	62 617	497 539
EXPENSES (see notes – Fund Specific Information)		
Management fees	9 574	8 408
Administration fees	1 623	1 399
Independent Review Committee costs	2	3
GST/HST	1 102	961
Transaction costs	1 111	3 101
Withholding tax	7 606	6 695
TOTAL EXPENSES	21 018	20 567
INCREASE (DECREASE) IN NAV	\$ 41 599	\$ 476 972
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (168)	\$ 58 410
ADVISOR SERIES	\$ (253)	\$ 11 343
SERIES T5	\$ (30)	\$ 481
SERIES T8	\$ (103)	\$ 1 011
SERIES D	\$ 76	\$ 5 124
SERIES F	\$ (782)	\$ 14 072
SERIES FT5	\$ (1)	\$ 56
SERIES O	\$ 42 860	\$ 386 475
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.01)	\$ 2.29
ADVISOR SERIES	\$ (0.05)	\$ 2.32
SERIES T5	\$ (0.12)	\$ 1.99
SERIES T8	\$ (0.13)	\$ 1.45
SERIES D	\$ 0.03	\$ 2.44
SERIES F	\$ (0.09)	\$ 2.61
SERIES FT5	\$ (0.04)	\$ 3.21
SERIES O	\$ 0.29	\$ 2.65

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 41 599	\$ 476 972
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(96 583)	(109 613)
Change in unrealized loss (gain) on investments	107 980	(316 007)
(Increase) decrease in accrued receivables	(383)	593
Increase (decrease) in accrued payables	48	83
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 403 967)	(1 456 241)
Proceeds from sale and maturity of investments	1 173 744	1 494 799
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(177 562)	90 586
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	582 566	323 524
Cash paid on redemption of redeemable units	(398 875)	(407 881)
Distributions paid to holders of redeemable units	(8 298)	(4 102)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 175 393	\$ (88 459)
Net increase (decrease) in cash for the period	(2 169)	2 127
Cash (bank overdraft), beginning of period	2 690	563
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 521	\$ 2 690
Interest received (paid)	\$ 356	\$ 161
Dividends received, net of withholding taxes	\$ 63 629	\$ 62 376

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series T8	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 361 740	\$ 344 522	\$ 71 734	\$ 68 591	\$ 2 634	\$ 3 515	\$ 6 207	\$ 6 001
INCREASE (DECREASE) IN NAV	(168)	58 410	(253)	11 343	(30)	481	(103)	1 011
Early redemption fees	2	1	—	—	—	—	—	—
Proceeds from redeemable units issued	74 621	39 980	17 335	10 435	1 322	604	3 578	986
Reinvestments of distributions to holders of redeemable units	9 135	2 382	1 859	472	84	72	144	85
Redemption of redeemable units	(80 901)	(81 123)	(13 309)	(18 597)	(807)	(1 905)	(1 356)	(1 414)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 857	(38 760)	5 885	(7 690)	599	(1 229)	2 366	(343)
Distributions from net income	—	(365)	(28)	(104)	(1)	(10)	(585)	(23)
Distributions from net gains	(9 310)	(2 067)	(1 964)	(406)	(79)	(15)	—	(35)
Distributions from capital	—	—	—	—	(66)	(108)	—	(404)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(9 310)	(2 432)	(1 992)	(510)	(146)	(133)	(585)	(462)
NET INCREASE (DECREASE) IN NAV	(6 621)	17 218	3 640	3 143	423	(881)	1 678	206
NAV AT END OF PERIOD	\$ 355 119	\$ 361 740	\$ 75 374	\$ 71 734	\$ 3 057	\$ 2 634	\$ 7 885	\$ 6 207

For the periods ended December 31 (see note 2 in the generic notes)	Series D		Series F		Series FT5	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 32 042	\$ 29 469	\$ 102 878	\$ 64 757	\$ 590	\$ 171
INCREASE (DECREASE) IN NAV	76	5 124	(782)	14 072	(1)	56
Early redemption fees	1	—	—	—	—	—
Proceeds from redeemable units issued	13 299	7 516	88 823	49 686	315	435
Reinvestments of distributions to holders of redeemable units	1 292	503	4 076	1 439	7	5
Redemption of redeemable units	(8 363)	(10 064)	(36 221)	(25 141)	(78)	(65)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	6 229	(2 045)	56 678	25 984	244	375
Distributions from net income	(331)	(324)	(1 578)	(1 355)	(9)	(4)
Distributions from net gains	(975)	(182)	(4 112)	(580)	(23)	(3)
Distributions from capital	—	—	—	—	(7)	(5)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 306)	(506)	(5 690)	(1 935)	(39)	(12)
NET INCREASE (DECREASE) IN NAV	4 999	2 573	50 206	38 121	204	419
NAV AT END OF PERIOD	\$ 37 041	\$ 32 042	\$ 153 084	\$ 102 878	\$ 794	\$ 590

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (cont.) (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series 0		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 205 862	\$ 1 876 674	\$ 2 783 687	\$ 2 393 700
INCREASE (DECREASE) IN NAV	42 860	386 475	41 599	476 972
Early redemption fees	—	—	3	1
Proceeds from redeemable units issued	432 011	248 626	631 304	358 268
Reinvestments of distributions to holders of redeemable units	106 450	59 639	123 047	64 597
Redemption of redeemable units	(307 343)	(302 852)	(448 378)	(441 161)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	231 118	5 413	305 976	(18 295)
Distributions from net income	(50 006)	(49 644)	(52 538)	(51 829)
Distributions from net gains	(62 316)	(13 056)	(78 779)	(16 344)
Distributions from capital	—	—	(73)	(517)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(112 322)	(62 700)	(131 390)	(68 690)
NET INCREASE (DECREASE) IN NAV	161 656	329 188	216 185	389 987
NAV AT END OF PERIOD	\$ 2 367 518	\$ 2 205 862	\$ 2 999 872	\$ 2 783 687

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	56.4	52.9
United Kingdom	10.8	10.1
Switzerland	5.0	3.8
Japan	4.6	5.4
Taiwan	4.6	4.6
Netherlands	3.4	2.2
Germany	3.1	4.3
India	2.5	2.2
Belgium	2.4	3.2
Hong Kong	2.4	1.1
Denmark	1.6	2.3
South Africa	1.5	2.2
Ireland	1.3	1.8
Canada	–	2.2
Cash/Other	0.4	1.7
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	63.6	59.9
Pound sterling	12.1	11.8
Euro	8.8	9.7
Swiss franc	5.0	3.8
Japanese yen	4.6	5.4
Hong Kong dollar	2.4	1.1
Danish krone	1.6	2.3
South African rand	1.5	2.2
Total	99.6	96.2

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	1 907 830	1 081 026	–	2 988 856
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	11 739	–	11 739
Derivatives – assets	–	10	–	10
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 907 830	1 092 775	–	3 000 605
% of total portfolio	63.6	36.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 724 227	1 011 675	–	2 735 902
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	45 270	–	45 270
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	–	–	–
Total financial instruments	1 724 227	1 056 946	–	2 781 173
% of total portfolio	62.0	38.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series T8	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series FT5	84	80
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	24 441	27 306
Issued number of units	4 827	2 895
Reinvested number of units	646	159
Redeemed number of units	(5 250)	(5 919)
Ending number of units	24 664	24 441
Advisor Series		
Opening units	4 790	5 373
Issued number of units	1 109	738
Reinvested number of units	130	31
Redeemed number of units	(857)	(1 352)
Ending number of units	5 172	4 790

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening units	210	315
Issued number of units	100	51
Reinvested number of units	7	6
Redeemed number of units	(62)	(162)
Ending number of units	255	210
Series T8		
Opening units	679	720
Issued number of units	386	112
Reinvested number of units	16	10
Redeemed number of units	(147)	(163)
Ending number of units	934	679
Series D		
Opening units	2 130	2 297
Issued number of units	845	525
Reinvested number of units	90	33
Redeemed number of units	(533)	(725)
Ending number of units	2 532	2 130
Series F		
Opening units	6 419	4 736
Issued number of units	5 282	3 287
Reinvested number of units	266	88
Redeemed number of units	(2 153)	(1 692)
Ending number of units	9 814	6 419
Series FT5		
Opening units	39	13
Issued number of units	20	30
Reinvested number of units	—	—
Redeemed number of units	(5)	(4)
Ending number of units	54	39
Series O		
Opening units	147 476	147 056
Issued number of units	27 397	18 089
Reinvested number of units	7 465	3 931
Redeemed number of units	(19 355)	(21 600)
Ending number of units	162 983	147 476

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 111	100	3 101	100
Related-party brokerage commissions*	94	8	318	10
Commission arrangements [†]	529	48	2 695	87

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	119 632	44 436
Fair value of collateral received	122 025	45 325

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	861	100	251	100
RBC IS (paid)	(213)	(25)	(70)	(28)
Tax withheld	(6)	(1)	(8)	(3)
Fund revenue	642	74	173	69

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Global Growth & Income Fund	1.7	0.6
RBC Retirement 2020 Portfolio	0.1	0.1
RBC Retirement 2025 Portfolio	0.1	0.1
RBC Retirement 2030 Portfolio	0.1	0.1
RBC Retirement 2035 Portfolio	0.1	–
RBC Retirement 2040 Portfolio	0.1	–
RBC Retirement 2045 Portfolio	–	–
RBC Retirement Income Solution	0.1	0.1
RBC Select Aggressive Growth Portfolio	3.1	3.2
RBC Select Balanced Portfolio	29.7	28.2
RBC Select Growth Portfolio	13.8	13.8
Total	48.9	46.2

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	10	–
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	10	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	10	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	–
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	1	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL DIVIDEND GROWTH CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Belgium				
5 778	Anheuser-Busch InBev S.A./N.V.	\$ 834	\$ 520	
		834	520	2.5
Denmark				
5 622	Novo Nordisk A/S	326	352	
		326	352	1.7
Germany				
17 878	Deutsche Post AG	873	667	
		873	667	3.2
Hong Kong				
45 349	AIA Group Ltd.	463	514	
		463	514	2.5
India				
3 746	HDFC Bank Ltd. ADR	412	530	
		412	530	2.5
Ireland				
2 586	Paddy Power Betfair Plc.	363	288	
		363	288	1.4
Japan				
17 400	Astellas Pharma Inc.	303	304	
13 000	MISUMI Group Inc.	465	374	
2 100	Nidec Corp.	323	324	
		1 091	1 002	4.8
Netherlands				
9 894	Unilever N.V.	716	732	
		716	732	3.5
South Africa				
1 211	Naspers Ltd.	326	331	
		326	331	1.6
Switzerland				
171	Partners Group Holding AG	168	142	
2 793	Roche Holdings AG Genussscheine	882	947	
		1 050	1 089	5.2
Taiwan				
19 952	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	919	1 005	
		919	1 005	4.8
United Kingdom				
6 001	Croda International Plc.	456	489	
10 175	InterContinental Hotels Group Plc.	688	751	
305 847	Lloyds TSB Group Plc.	341	275	
11 778	Royal Dutch Shell Plc., B Shares	446	481	
20 582	St. James's Place Plc.	387	338	
		2 318	2 334	11.1

Holdings	Security	Cost	Fair Value	% of Net Assets
United States				
2 700	American Water Works Co. Inc. \$	282	\$ 335	
21 715	Blackstone Group LP	869	884	
1 200	Broadcom Inc.	356	416	
6 700	Citigroup Inc.	610	475	
4 059	Danaher Corp.	456	570	
1 600	Ecolab Inc.	263	321	
5 290	EOG Resources Inc.	687	630	
5 172	Estée Lauder Companies Inc., Class A	705	919	
5 730	First Republic Bank	674	680	
5 271	Fortive Corp.	435	487	
1 352	Honeywell International Inc.	231	244	
5 580	JPMorgan Chase & Co.	677	744	
1 500	Linde Plc.	278	320	
1 500	MarketAxess Holdings Inc.	366	433	
10 000	Microsoft Corp.	1 120	1 388	
4 435	Occidental Petroleum Corp.	387	372	
2 300	PepsiCo Inc.	337	347	
1 800	Royal Caribbean Cruises Ltd.	268	240	
2 753	Sempra Energy	388	407	
16 316	TJX Companies Inc.	804	997	
3 156	UnitedHealth Group Incorporated	757	1 074	
		10 950	12 283	58.7
TOTAL GLOBAL EQUITIES				
		20 641	21 647	103.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	157	0.8
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(1 067)	(5.1)
TOTAL PORTFOLIO				
		\$ 20 641	20 737	99.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			172	0.8
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 20 909		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 5 Sold DKK 24 @ 0.2092	02-Jan-2019	\$ —
Bought CAD 4 Sold ZAR 46 @ 0.0942	02-Jan-2019	—
Bought CAD 7 Sold HKD 38 @ 0.1743	03-Jan-2019	—
Bought CAD 32 Sold JPY 2 600 @ 0.0123	08-Jan-2019	—
Bought CAD 11 Sold JPY 893 @ 0.0124	08-Jan-2019	—
Bought JPY 1 305 Sold CAD 15 @ 86.6800	08-Jan-2019	1
Bought JPY 5 000 Sold CAD 58 @ 85.7631	08-Jan-2019	4
Bought EUR 26 Sold CAD 39 @ 0.6601	11-Jan-2019	1
Bought HKD 120 Sold CAD 21 @ 5.8347	14-Jan-2019	—
Bought HKD 38 Sold CAD 7 @ 5.7386	14-Jan-2019	—
Bought USD 130 Sold CAD 169 @ 0.7700	14-Jan-2019	9
Bought USD 200 Sold CAD 268 @ 0.7462	14-Jan-2019	5
Bought CAD 7 Sold HKD 45 @ 0.1649	15-Jan-2019	—

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 20 Sold CAD 31 @ 0.6475	16-Jan-2019	\$ —
Bought JPY 3 000 Sold CAD 35 @ 84.9409	16-Jan-2019	2
Bought JPY 1 170 Sold CAD 14 @ 84.8734	16-Jan-2019	1
Bought JPY 2 000 Sold CAD 24 @ 83.3300	16-Jan-2019	1
Bought JPY 4 000 Sold CAD 49 @ 81.3500	16-Jan-2019	1
Bought JPY 2 000 Sold CAD 25 @ 81.0930	16-Jan-2019	—
Bought CAD 9 Sold ZAR 100 @ 0.0920	17-Jan-2019	—
Bought CAD 14 Sold ZAR 150 @ 0.0947	17-Jan-2019	—
Bought ZAR 100 Sold CAD 9 @ 10.9278	17-Jan-2019	—
Bought ZAR 60 Sold CAD 5 @ 11.0164	17-Jan-2019	—
Bought ZAR 64 Sold CAD 6 @ 10.7321	17-Jan-2019	—
Bought ZAR 100 Sold CAD 10 @ 10.4383	17-Jan-2019	—
Bought CAD 13 Sold DKK 65 @ 0.2022	18-Jan-2019	—
Bought CHF 10 Sold CAD 13 @ 0.7608	18-Jan-2019	1
Bought CHF 25 Sold CAD 34 @ 0.7298	18-Jan-2019	1
Bought EUR 16 Sold CAD 24 @ 0.6663	18-Jan-2019	1
Bought EUR 20 Sold CAD 30 @ 0.6576	18-Jan-2019	1
Bought EUR 36 Sold CAD 56 @ 0.6453	18-Jan-2019	1
Bought CAD 9 Sold ZAR 100 @ 0.0916	22-Jan-2019	—
Bought GBP 40 Sold CAD 68 @ 0.5869	22-Jan-2019	1
Bought JPY 3 500 Sold CAD 41 @ 85.5858	22-Jan-2019	3
Bought JPY 3 000 Sold CAD 36 @ 84.3639	22-Jan-2019	2
Bought ZAR 290 Sold CAD 26 @ 11.2840	22-Jan-2019	2
Bought ZAR 150 Sold CAD 14 @ 11.0668	22-Jan-2019	1
Bought ZAR 52 Sold CAD 5 @ 10.6494	22-Jan-2019	—
Bought ZAR 73 Sold CAD 7 @ 10.7170	22-Jan-2019	—
Bought CHF 39 Sold CAD 52 @ 0.7546	23-Jan-2019	3
Bought CHF 15 Sold CAD 20 @ 0.7355	23-Jan-2019	—
Bought DKK 24 Sold CAD 5 @ 4.7726	24-Jan-2019	—
Bought GBP 220 Sold CAD 371 @ 0.5931	24-Jan-2019	12
Bought USD 500 Sold CAD 659 @ 0.7583	24-Jan-2019	23
Bought CAD 5 Sold DKK 25 @ 0.2012	25-Jan-2019	—
Bought CHF 20 Sold CAD 28 @ 0.7214	25-Jan-2019	—
Bought CAD 10 Sold CHF 7 @ 1.3596	28-Jan-2019	—
Bought CHF 10 Sold CAD 14 @ 0.7215	29-Jan-2019	—
Bought EUR 19 Sold CAD 29 @ 0.6571	31-Jan-2019	1
Bought USD 125 Sold CAD 164 @ 0.7640	01-Feb-2019	7
Bought USD 160 Sold CAD 211 @ 0.7566	01-Feb-2019	7
Bought USD 124 Sold CAD 169 @ 0.7337	04-Feb-2019	—
Bought EUR 196 Sold CAD 295 @ 0.6652	05-Feb-2019	13
Bought EUR 35 Sold CAD 54 @ 0.6512	05-Feb-2019	1
Bought JPY 893 Sold CAD 11 @ 80.7629	06-Feb-2019	—
Bought CAD 17 Sold ZAR 175 @ 0.0944	07-Feb-2019	—
Bought CAD 12 Sold HKD 74 @ 0.1684	08-Feb-2019	—
Bought CAD 14 Sold ZAR 150 @ 0.0931	08-Feb-2019	—
Bought HKD 420 Sold CAD 71 @ 5.9405	08-Feb-2019	3
Bought JPY 12 600 Sold CAD 148 @ 85.1599	08-Feb-2019	9
Bought ZAR 40 Sold CAD 4 @ 10.5370	08-Feb-2019	—
Bought ZAR 46 Sold CAD 4 @ 10.6774	08-Feb-2019	—
Bought USD 200 Sold CAD 271 @ 0.7376	11-Feb-2019	2
Bought JPY 2 567 Sold CAD 31 @ 81.9600	12-Feb-2019	1
Bought USD 15 Sold CAD 20 @ 0.7611	12-Feb-2019	1
Bought GBP 45 Sold CAD 77 @ 0.5881	13-Feb-2019	2
Bought DKK 57 Sold CAD 12 @ 4.8075	15-Feb-2019	—
Bought CHF 75 Sold CAD 101 @ 0.7439	21-Feb-2019	4

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought DKK 50 Sold CAD 10 @ 4.7931	22-Feb-2019	\$ —
Bought GBP 115 Sold CAD 196 @ 0.5869	22-Feb-2019	4
Bought GBP 23 Sold CAD 39 @ 0.5920	22-Feb-2019	1
Bought USD 350 Sold CAD 468 @ 0.7478	25-Feb-2019	9
Bought USD 150 Sold CAD 200 @ 0.7494	04-Mar-2019	4
Bought DKK 5 Sold CAD 1 @ 4.8885	05-Mar-2019	—
Bought CAD 9 Sold JPY 727 @ 0.0120	06-Mar-2019	—
Bought CAD 45 Sold ZAR 485 @ 0.0935	06-Mar-2019	—
Bought CAD 7 Sold ZAR 75 @ 0.0924	06-Mar-2019	—
Bought EUR 16 Sold CAD 25 @ 0.6378	06-Mar-2019	—
Bought GBP 33 Sold CAD 57 @ 0.5839	06-Mar-2019	1
Bought HKD 64 Sold CAD 11 @ 5.7870	07-Mar-2019	—
Bought CAD 3 Sold EUR 2 @ 1.5353	12-Mar-2019	—
Bought CAD 9 Sold JPY 757 @ 0.0119	12-Mar-2019	—
Bought JPY 2 500 Sold CAD 30 @ 82.0096	12-Mar-2019	1
Bought DKK 24 Sold CAD 5 @ 4.8883	15-Mar-2019	—
Bought GBP 20 Sold CAD 35 @ 0.5785	18-Mar-2019	—
Bought USD 250 Sold CAD 336 @ 0.7438	19-Mar-2019	5
Bought USD 435 Sold CAD 587 @ 0.7405	19-Mar-2019	4
		\$ 157

Contracts	Maturity Date	Unrealized Loss
Bought CAD 545 Sold USD 422 @ 1.2906	04-Jan-2019	\$ (31)
Bought CAD 13 Sold JPY 1 190 @ 0.0113	08-Jan-2019	(1)
Bought CAD 28 Sold DKK 138 @ 0.1999	09-Jan-2019	(1)
Bought CAD 10 Sold JPY 870 @ 0.0116	10-Jan-2019	(1)
Bought CAD 916 Sold USD 717 @ 1.2771	14-Jan-2019	(63)
Bought CAD 20 Sold HKD 120 @ 0.1689	14-Jan-2019	(1)
Bought CAD 21 Sold JPY 1 800 @ 0.0114	15-Jan-2019	(2)
Bought CAD 189 Sold EUR 127 @ 1.4907	16-Jan-2019	(10)
Bought CAD 527 Sold JPY 45 027 @ 0.0117	16-Jan-2019	(34)
Bought CAD 59 Sold JPY 5 000 @ 0.0117	16-Jan-2019	(4)
Bought CAD 17 Sold GBP 10 @ 1.6702	17-Jan-2019	(1)
Bought CAD 36 Sold ZAR 400 @ 0.0906	17-Jan-2019	(2)
Bought CAD 51 Sold ZAR 551 @ 0.0931	17-Jan-2019	(1)
Bought CAD 19 Sold DKK 95 @ 0.1996	18-Jan-2019	(1)
Bought CAD 38 Sold CHF 29 @ 1.3157	18-Jan-2019	(2)
Bought CAD 78 Sold JPY 6 933 @ 0.0113	22-Jan-2019	(8)
Bought CAD 113 Sold EUR 76 @ 1.4893	22-Jan-2019	(6)
Bought CAD 382 Sold GBP 225 @ 1.7008	22-Jan-2019	(9)
Bought CAD 26 Sold USD 20 @ 1.3016	22-Jan-2019	(1)
Bought CAD 101 Sold ZAR 1 116 @ 0.0905	22-Jan-2019	(5)
Bought CAD 23 Sold ZAR 255 @ 0.0906	22-Jan-2019	(1)
Bought CAD 16 Sold HKD 95 @ 0.1676	22-Jan-2019	(1)
Bought CAD 24 Sold ZAR 260 @ 0.0904	22-Jan-2019	(1)
Bought CAD 35 Sold JPY 3 000 @ 0.0116	22-Jan-2019	(3)
Bought CAD 23 Sold DKK 115 @ 0.2029	23-Jan-2019	(1)
Bought CAD 126 Sold GBP 75 @ 1.6830	23-Jan-2019	(4)
Bought CAD 2 158 Sold USD 1 653 @ 1.3054	24-Jan-2019	(97)
Bought CAD 102 Sold GBP 60 @ 1.7076	24-Jan-2019	(2)
Bought CAD 392 Sold USD 300 @ 1.3053	24-Jan-2019	(18)
Bought CAD 327 Sold EUR 218 @ 1.4987	25-Jan-2019	(15)
Bought CAD 369 Sold USD 284 @ 1.2981	25-Jan-2019	(19)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 344 Sold GBP 204 @ 1.6844	25-Jan-2019	\$ (12)
Bought CAD 100 Sold EUR 67 @ 1.4923	25-Jan-2019	(5)
Bought CAD 113 Sold DKK 559 @ 0.2013	28-Jan-2019	(5)
Bought CAD 195 Sold GBP 114 @ 1.7143	28-Jan-2019	(3)
Bought CAD 1 057 Sold GBP 617 @ 1.7124	31-Jan-2019	(18)
Bought CAD 511 Sold EUR 337 @ 1.5174	31-Jan-2019	(17)
Bought CAD 197 Sold USD 151 @ 1.3076	31-Jan-2019	(9)
Bought CAD 1 912 Sold USD 1 465 @ 1.3050	01-Feb-2019	(86)
Bought CAD 825 Sold USD 627 @ 1.3165	01-Feb-2019	(30)
Bought CAD 3 081 Sold USD 2 360 @ 1.3055	04-Feb-2019	(138)
Bought CAD 369 Sold HKD 2 211 @ 0.1670	04-Feb-2019	(16)
Bought CAD 58 Sold HKD 346 @ 0.1688	04-Feb-2019	(2)
Bought CAD 521 Sold EUR 346 @ 1.5051	05-Feb-2019	(22)
Bought CAD 194 Sold JPY 16 556 @ 0.0117	06-Feb-2019	(12)
Bought CAD 50 Sold EUR 33 @ 1.5022	06-Feb-2019	(2)
Bought CAD 28 Sold DKK 140 @ 0.2012	06-Feb-2019	(1)
Bought CAD 57 Sold GBP 34 @ 1.6834	07-Feb-2019	(2)
Bought CAD 32 Sold ZAR 350 @ 0.0911	07-Feb-2019	(1)
Bought CAD 83 Sold EUR 55 @ 1.5002	08-Feb-2019	(4)
Bought CAD 641 Sold USD 488 @ 1.3137	08-Feb-2019	(24)
Bought CAD 327 Sold JPY 28 048 @ 0.0117	08-Feb-2019	(23)
Bought CAD 25 Sold ZAR 270 @ 0.0919	08-Feb-2019	(1)
Bought CAD 1 385 Sold USD 1 060 @ 1.3065	11-Feb-2019	(61)
Bought CAD 45 Sold JPY 3 880 @ 0.0117	12-Feb-2019	(3)
Bought CAD 559 Sold USD 427 @ 1.3089	12-Feb-2019	(23)
Bought CAD 395 Sold USD 300 @ 1.3168	12-Feb-2019	(14)
Bought CAD 78 Sold CHF 58 @ 1.3497	13-Feb-2019	(3)
Bought CAD 164 Sold USD 125 @ 1.3086	14-Feb-2019	(7)
Bought CAD 111 Sold EUR 74 @ 1.5018	14-Feb-2019	(5)
Bought CAD 34 Sold HKD 199 @ 0.1685	14-Feb-2019	(1)
Bought CAD 13 Sold DKK 64 @ 0.2016	15-Feb-2019	(1)
Bought CAD 512 Sold USD 383 @ 1.3358	19-Feb-2019	(11)
Bought CAD 24 Sold CHF 18 @ 1.3386	20-Feb-2019	(1)
Bought CAD 177 Sold EUR 117 @ 1.5142	20-Feb-2019	(6)
Bought CAD 33 Sold CHF 25 @ 1.3309	20-Feb-2019	(2)
Bought CAD 394 Sold USD 300 @ 1.3127	21-Feb-2019	(15)
Bought CAD 15 Sold DKK 73 @ 0.2020	22-Feb-2019	(1)
Bought CAD 18 Sold EUR 12 @ 1.5095	22-Feb-2019	(1)
Bought CAD 448 Sold USD 340 @ 1.3163	25-Feb-2019	(16)
Bought CAD 114 Sold GBP 67 @ 1.7022	26-Feb-2019	(3)
Bought CAD 29 Sold GBP 17 @ 1.6991	28-Feb-2019	(1)
Bought CAD 43 Sold JPY 3 621 @ 0.0119	28-Feb-2019	(2)
Bought CAD 166 Sold GBP 98 @ 1.6948	01-Mar-2019	(5)
Bought CAD 30 Sold EUR 20 @ 1.5125	01-Mar-2019	(1)
Bought CAD 474 Sold USD 357 @ 1.3275	04-Mar-2019	(13)
Bought CAD 59 Sold JPY 5 000 @ 0.0118	04-Mar-2019	(4)
Bought CAD 50 Sold EUR 33 @ 1.5189	05-Mar-2019	(2)
Bought CAD 142 Sold EUR 94 @ 1.5080	06-Mar-2019	(6)
Bought CAD 84 Sold GBP 49 @ 1.7190	06-Mar-2019	(1)
Bought CAD 76 Sold HKD 442 @ 0.1710	07-Mar-2019	(2)
Bought CAD 578 Sold CHF 433 @ 1.3354	08-Mar-2019	(26)
Bought CAD 659 Sold GBP 390 @ 1.6908	12-Mar-2019	(20)
Bought CAD 41 Sold CHF 30 @ 1.3659	13-Mar-2019	(1)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 488 Sold CHF 357 @ 1.3665	13-Mar-2019	\$ (10)
Bought CAD 31 Sold EUR 20 @ 1.5301	14-Mar-2019	(1)
Bought CAD 105 Sold DKK 511 @ 0.2052	15-Mar-2019	(3)
Bought CAD 350 Sold USD 262 @ 1.3375	15-Mar-2019	(7)
Bought CAD 42 Sold GBP 25 @ 1.6941	18-Mar-2019	(1)
Bought CAD 174 Sold USD 130 @ 1.3378	19-Mar-2019	(3)
Bought CAD 442 Sold USD 330 @ 1.3406	21-Mar-2019	(5)
		\$ (1 067)
TOTAL FOREIGN EXCHANGE		\$ (910)

All counterparties have a credit rating of at least A.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 21 647	\$ 25 692
Cash	105	14
Due from investment dealers	27	—
Subscriptions receivable	161	64
Unrealized gain on foreign exchange contracts	157	251
Dividends receivable, interest accrued and other assets	13	12
TOTAL ASSETS	22 110	26 033
LIABILITIES		
Due to investment dealers	—	13
Redemptions payable	113	12
Unrealized loss on foreign exchange contracts	1 067	115
Accounts payable and accrued expenses	21	19
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 201	159
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 20 909	\$ 25 874
Investments at cost	\$ 20 641	\$ 23 354
NAV		
SERIES A	\$ 7 300	\$ 4 306
ADVISOR SERIES	\$ 380	\$ 210
SERIES T5	\$ 82	\$ 20
SERIES D	\$ 2 173	\$ 1 766
SERIES F	\$ 6 731	\$ 13 198
SERIES FT5	\$ 108	\$ 45
SERIES O	\$ 4 135	\$ 6 329
NAV PER UNIT		
SERIES A	\$ 11.37	\$ 12.49
ADVISOR SERIES	\$ 11.35	\$ 12.47
SERIES T5	\$ 10.34	\$ 11.68
SERIES D	\$ 11.47	\$ 12.60
SERIES F	\$ 11.46	\$ 12.60
SERIES FT5	\$ 10.68	\$ 11.91
SERIES O	\$ 11.43	\$ 12.58

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 711	\$ 368
Interest for distribution purposes	2	3
Derivative income	(767)	160
Net realized gain (loss) on investments	1 485	492
Change in unrealized gain (loss) on investments	(2 378)	2 268
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(947)	3 291
Securities lending revenue		
(see note 7 in the generic notes)	3	1
Net gain (loss) on foreign cash balances	(1)	(7)
TOTAL OTHER INCOME (LOSS)	2	(6)
TOTAL INCOME (LOSS)	(945)	3 285
EXPENSES (see notes – Fund Specific Information)		
Management fees	263	92
Administration fees	36	14
Independent Review Committee costs	2	3
GST/HST	23	6
Transaction costs	19	43
Withholding tax	84	38
Expenses reimbursed by manager	(1)	(3)
TOTAL EXPENSES	426	193
INCREASE (DECREASE) IN NAV	\$ (1 371)	\$ 3 092
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (634)	\$ 292
ADVISOR SERIES	\$ (37)	\$ 20
SERIES T5	\$ (9)	\$ 10
SERIES D	\$ (194)	\$ 115
SERIES F	\$ (367)	\$ 1 501
SERIES FT5	\$ (6)	\$ 4
SERIES O	\$ (124)	\$ 1 150
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (1.03)	\$ 2.20
ADVISOR SERIES	\$ (0.72)	\$ 2.30
SERIES T5	\$ (1.14)	\$ 4.24
SERIES D	\$ (1.00)	\$ 2.57
SERIES F	\$ (0.40)	\$ 2.37
SERIES FT5	\$ (1.22)	\$ 2.99
SERIES O	\$ (0.28)	\$ 2.50



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 371)	\$ 3 092
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 460)	(474)
Change in unrealized loss (gain) on investments	2 378	(2 268)
(Increase) decrease in accrued receivables	(1)	(6)
Increase (decrease) in accrued payables	2	16
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(94 343)	(121 436)
Proceeds from sale and maturity of investments	98 476	105 655
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3 681	(15 421)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	14 821	19 061
Cash paid on redemption of redeemable units	(18 102)	(3 420)
Distributions paid to holders of redeemable units	(309)	(212)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (3 590)	\$ 15 429
Net increase (decrease) in cash for the period	91	8
Cash (bank overdraft), beginning of period	14	6
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 105	\$ 14
Interest received (paid)	\$ 2	\$ 3
Dividends received, net of withholding taxes	\$ 626	\$ 324

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 4 306	\$ 153	\$ 210	\$ 53	\$ 20	\$ 376	\$ 1 766	\$ 105
INCREASE (DECREASE) IN NAV	(634)	292	(37)	20	(9)	10	(194)	115
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	7 087	4 670	635	141	101	17	2 433	2 273
Reinvestments of distributions to holders of redeemable units	165	32	6	1	5	—	75	21
Redemption of redeemable units	(3 453)	(807)	(425)	(4)	(31)	(383)	(1 832)	(727)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 799	3 895	216	138	75	(366)	676	1 567
Distributions from net income	(38)	—	(2)	—	—	—	(33)	(8)
Distributions from net gains	(133)	(34)	(7)	(1)	(1)	—	(42)	(13)
Distributions from capital	—	—	—	—	(3)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(171)	(34)	(9)	(1)	(4)	—	(75)	(21)
NET INCREASE (DECREASE) IN NAV	2 994	4 153	170	157	62	(356)	407	1 661
NAV AT END OF PERIOD	\$ 7 300	\$ 4 306	\$ 380	\$ 210	\$ 82	\$ 20	\$ 2 173	\$ 1 766

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 13 198	\$ 2 529	\$ 45	\$ 1	\$ 6 329	\$ 4 550	\$ 25 874	\$ 7 767
INCREASE (DECREASE) IN NAV	(367)	1 501	(6)	4	(124)	1 150	(1 371)	3 092
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	4 265	10 242	72	40	1 155	1 340	15 748	18 723
Reinvestments of distributions to holders of redeemable units	122	115	—	—	4	63	377	232
Redemption of redeemable units	(10 253)	(978)	—	—	(3 039)	(618)	(19 033)	(3 517)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 866)	9 379	72	40	(1 880)	785	(2 908)	15 438
Distributions from net income	(115)	(100)	(1)	—	(114)	(103)	(303)	(211)
Distributions from net gains	(119)	(111)	(2)	—	(76)	(53)	(380)	(212)
Distributions from capital	—	—	—	—	—	—	(3)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(234)	(211)	(3)	—	(190)	(156)	(686)	(423)
NET INCREASE (DECREASE) IN NAV	(6 467)	10 669	63	44	(2 194)	1 779	(4 965)	18 107
NAV AT END OF PERIOD	\$ 6 731	\$ 13 198	\$ 108	\$ 45	\$ 4 135	\$ 6 329	\$ 20 909	\$ 25 874

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	58.7	51.6
United Kingdom	11.1	9.7
Switzerland	5.2	3.8
Japan	4.8	5.3
Taiwan	4.8	4.4
Netherlands	3.5	2.1
Germany	3.2	4.2
Belgium	2.5	3.1
Hong Kong	2.5	1.1
India	2.5	2.1
Denmark	1.7	2.2
South Africa	1.6	2.1
Ireland	1.4	1.7
Canada	–	2.1
Cash/Other	(3.5)	4.5
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 32-month (December 31, 2017 – 20-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (hedged to CAD)	+ or - 1.0	+ or - 0.9

Please see the generic notes at the back of the financial statements.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	13 818	7 829	–	21 647
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	157	–	157
Derivatives – liabilities	–	(1 067)	–	(1 067)
Total financial instruments	13 818	6 919	–	20 737
% of total portfolio	66.6	33.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	15 581	9 147	–	24 728
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	964	–	964
Derivatives – assets	–	251	–	251
Derivatives – liabilities	–	(115)	–	(115)
Total financial instruments	15 581	10 247	–	25 828
% of total portfolio	60.3	39.7	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	104	101
Advisor Series	104	101
Series T5	114	109
Series D	105	102
Series F	106	102
Series FT5	114	109
Series O	–	207 602
Value of all units	7	2 619

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	345	15
Issued number of units	559	394
Reinvested number of units	15	3
Redeemed number of units	(277)	(67)
Ending number of units	642	345
Advisor Series		
Opening units	17	5
Issued number of units	50	12
Reinvested number of units	1	–
Redeemed number of units	(34)	–
Ending number of units	34	17
Series T5		
Opening units	2	37
Issued number of units	9	2
Reinvested number of units	–	–
Redeemed number of units	(3)	(37)
Ending number of units	8	2
Series D		
Opening units	140	10
Issued number of units	188	188
Reinvested number of units	7	2
Redeemed number of units	(146)	(60)
Ending number of units	189	140

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	1 047	243
Issued number of units	333	876
Reinvested number of units	11	9
Redeemed number of units	(804)	(81)
Ending number of units	587	1 047
Series FT5		
Opening units	4	–
Issued number of units	6	4
Reinvested number of units	–	–
Redeemed number of units	–	–
Ending number of units	10	4
Series O		
Opening units	503	438
Issued number of units	90	117
Reinvested number of units	–	5
Redeemed number of units	(231)	(57)
Ending number of units	362	503

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	19	100	43	100
Related-party brokerage commissions*	1	5	2	5
Commission arrangements†	10	53	29	67

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 662	351
Fair value of collateral received	1 695	358

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	4	100	1	100
RBC IS (paid)	(1)	(25)	–	(27)
Tax withheld	–	(3)	–	(7)
Fund revenue	3	72	1	66

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	157	(1 067)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	157	(1 067)
Related amounts not set-off	(157)	157
Collateral (received) pledged	–	–
Net amount	–	(910)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	251	(115)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	251	(115)
Related amounts not set-off	(100)	100
Collateral (received) pledged	–	–
Net amount	151	(15)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
1 452 122	Oil Search Ltd.	\$ 9 755	\$ 9 986	
		9 755	9 986	1.1
Belgium				
272 564	Anheuser-Busch InBev S.A./N.V.	34 772	24 513	
		34 772	24 513	2.7
Denmark				
192 817	Novo Nordisk A/S	13 339	12 070	
55 411	Orsted A/S	4 296	5 062	
		17 635	17 132	1.9
France				
57 861	Safran S.A.	5 438	9 474	
		5 438	9 474	1.0
Germany				
776 352	Deutsche Post AG	33 956	28 944	
		33 956	28 944	3.2
Hong Kong				
1 568 332	AIA Group Ltd.	13 245	17 786	
		13 245	17 786	1.9
India				
386 782	HDFC Bank Ltd.	11 449	16 063	
85 909	HDFC Bank Ltd. ADR	5 958	12 144	
		17 407	28 207	3.1
Ireland				
128 680	Paddy Power Betfair Plc.	20 028	14 348	
		20 028	14 348	1.6
Japan				
771 300	Astellas Pharma Inc.	15 252	13 454	
342 197	MISUMI Group Inc.	11 761	9 842	
130 908	Nidec Corp.	16 529	20 221	
38 000	Oriental Land Co. Ltd.	5 132	5 217	
		48 674	48 734	5.3
Netherlands				
577 865	ING Groep N.V.	10 777	8 486	
449 830	Unilever N.V.	32 527	33 268	
		43 304	41 754	4.6
South Africa				
59 363	Naspers Ltd.	10 521	16 226	
		10 521	16 226	1.8
Sweden				
178 460	Essity AB	5 673	5 972	
		5 673	5 972	0.6
Switzerland				
14 527	Partners Group Holding AG	6 848	12 065	
119 216	Roche Holdings AG Genussscheine	39 260	40 405	
		46 108	52 470	5.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Taiwan				
402 861	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	\$ 12 086	\$ 20 292	
		12 086	20 292	2.2
United Kingdom				
244 863	Croda International Plc.	18 581	19 964	
268 873	InterContinental Hotels Group Plc.	17 380	19 856	
83 239	Rio Tinto Plc.	4 669	5 442	
647 155	St. James's Place Plc.	10 581	10 641	
		51 211	55 903	6.1
United States				
40 800	AbbVie Inc.	5 002	5 135	
15 576	Alphabet Inc., Class A	15 865	22 239	
14 994	Amazon.com, Inc.	11 653	30 745	
180 400	American Water Works Co. Inc.	20 301	22 355	
511 306	Blackstone Group LP	20 467	20 808	
143 019	Citigroup Inc.	9 466	10 162	
73 300	CSX Corp.	4 711	6 217	
312 347	Danaher Corp.	32 104	43 972	
50 629	Ecolab Inc.	7 868	10 185	
230 364	EOG Resources Inc.	25 987	27 427	
144 455	Estée Lauder Companies Inc., Class A	16 395	25 657	
273 435	First Republic Bank	24 951	32 456	
347 758	Fortive Corp.	25 216	32 122	
130 502	Gartner Inc.	18 016	22 776	
32 600	Honeywell International Inc.	6 654	5 880	
116 100	Incyte Corporation Ltd.	12 306	10 079	
166 847	JPMorgan Chase & Co.	20 061	22 261	
36 000	Linde Plc.	7 344	7 673	
66 500	MarketAxess Holdings Inc.	15 539	19 184	
239 900	Microsoft Corp.	26 415	33 296	
104 523	Occidental Petroleum Corp.	9 832	8 759	
62 200	PepsiCo Inc.	9 897	9 381	
48 100	Royal Caribbean Cruises Ltd.	7 152	6 421	
60 000	SVB Financial Group	14 531	15 557	
506 200	TJX Companies Inc.	22 843	30 918	
110 525	UnitedHealth Group Incorporated	16 908	37 598	
		407 484	519 263	56.7
TOTAL GLOBAL EQUITIES		777 297	911 004	99.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	8	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(15)	—
TOTAL PORTFOLIO		\$ 777 297	910 997	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			4 979	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$ 915 976	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought AUD 132 Sold CAD 127 @ 1.0406	02-Jan-2019	\$ —
Bought DKK 1 019 Sold CAD 213 @ 4.7804	02-Jan-2019	—
Bought SEK 484 Sold CAD 73 @ 6.6112	02-Jan-2019	1
Bought ZAR 2 162 Sold CAD 204 @ 10.6212	02-Jan-2019	2
Bought CAD 168 Sold ZAR 1 778 @ 0.0946	03-Jan-2019	—
Bought CAD 176 Sold DKK 842 @ 0.2089	03-Jan-2019	—
Bought CAD 103 Sold AUD 107 @ 0.9611	03-Jan-2019	—
Bought CAD 183 Sold HKD 1 051 @ 0.1741	03-Jan-2019	—
Bought HKD 1 263 Sold CAD 220 @ 5.7384	03-Jan-2019	—
Bought JPY 49 477 Sold CAD 612 @ 80.8928	08-Jan-2019	5
		\$ 8

Contracts	Maturity Date	Unrealized Loss
Bought CAD 776 Sold EUR 498 @ 1.5599	02-Jan-2019	\$ (2)
Bought CAD 714 Sold GBP 412 @ 1.7315	02-Jan-2019	(4)
Bought CAD 5 562 Sold USD 4 078 @ 1.3638	02-Jan-2019	(6)
Bought CAD 61 Sold SEK 401 @ 0.1520	03-Jan-2019	(1)
Bought CAD 537 Sold CHF 388 @ 1.3840	03-Jan-2019	(2)
		\$ (15)
TOTAL FOREIGN EXCHANGE		\$ (7)

All counterparties have a credit rating of at least A.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 911 004	\$ 921 548
Cash	—	380
Due from investment dealers	8 573	—
Subscriptions receivable	207	409
Unrealized gain on foreign exchange contracts	8	—
Dividends receivable, interest accrued and other assets	292	234
TOTAL ASSETS	920 084	922 571
LIABILITIES		
Bank overdraft	1 444	—
Due to investment dealers	1 819	359
Redemptions payable	603	235
Unrealized loss on foreign exchange contracts	15	—
Distributions payable	32	—
Accounts payable and accrued expenses	195	83
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 108	677
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 915 976	\$ 921 894
Investments at cost	\$ 777 297	\$ 713 629
NAV		
SERIES A	\$ 61 974	\$ 24 807
ADVISOR SERIES	\$ 3 273	\$ 782
SERIES T5	\$ 176	\$ 8
SERIES D	\$ 11 918	\$ 8 432
SERIES F	\$ 59 526	\$ 15 016
SERIES FT5	\$ 637	\$ 62
SERIES O	\$ 778 472	\$ 872 787
NAV PER UNIT		
SERIES A	\$ 14.50	\$ 15.40
ADVISOR SERIES	\$ 14.45	\$ 15.35
SERIES T5	\$ 14.04	\$ 15.21
SERIES D	\$ 14.83	\$ 15.68
SERIES F	\$ 14.88	\$ 15.74
SERIES FT5	\$ 14.31	\$ 15.35
SERIES O	\$ 14.89	\$ 15.76

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 16 211	\$ 15 297
Interest for distribution purposes	149	90
Derivative income	(124)	(381)
Net realized gain (loss) on investments	83 427	72 609
Change in unrealized gain (loss) on investments	(74 219)	123 062
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	25 444	210 677
Other income (loss)	20	—
Securities lending revenue (see note 7 in the generic notes)	239	110
Net gain (loss) on foreign cash balances	(208)	(1 449)
TOTAL OTHER INCOME (LOSS)	51	(1 339)
TOTAL INCOME (LOSS)	25 495	209 338
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 288	432
Administration fees	317	213
Independent Review Committee costs	2	3
GST/HST	139	57
Transaction costs	475	1 114
Withholding tax	1 900	1 781
TOTAL EXPENSES	4 121	3 600
INCREASE (DECREASE) IN NAV	\$ 21 374	\$ 205 738
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 576)	\$ 3 904
ADVISOR SERIES	\$ (139)	\$ 103
SERIES T5	\$ (16)	\$ —
SERIES D	\$ 30	\$ 809
SERIES F	\$ (2 919)	\$ 2 052
SERIES FT5	\$ (61)	\$ 1
SERIES O	\$ 27 055	\$ 198 869
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.88)	\$ 3.10
ADVISOR SERIES	\$ (0.86)	\$ 3.00
SERIES T5	\$ (3.51)	\$ 3.03
SERIES D	\$ 0.04	\$ 3.24
SERIES F	\$ (1.37)	\$ 3.33
SERIES FT5	\$ (2.76)	\$ 1.29
SERIES O	\$ 0.54	\$ 3.51

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 21 374	\$ 205 738
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(82 808)	(71 494)
Change in unrealized loss (gain) on investments	74 219	(123 062)
(Increase) decrease in accrued receivables	(58)	199
Increase (decrease) in accrued payables	112	36
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(600 508)	(536 068)
Proceeds from sale and maturity of investments	612 535	610 690
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	24 866	86 039
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	225 638	97 401
Cash paid on redemption of redeemable units	(251 218)	(183 180)
Distributions paid to holders of redeemable units	(1 110)	(139)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (26 690)	\$ (85 918)
Net increase (decrease) in cash for the period	(1 824)	121
Cash (bank overdraft), beginning of period	380	259
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (1 444)	\$ 380
Interest received (paid)	\$ 155	\$ 86
Dividends received, net of withholding taxes	\$ 14 267	\$ 13 719

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 24 807	\$ 14 580	\$ 782	\$ 300	\$ 8	\$ —	\$ 8 432	\$ 1 925
INCREASE (DECREASE) IN NAV	(2 576)	3 904	(139)	103	(16)	—	30	809
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	56 244	12 259	3 160	495	346	8	16 652	7 397
Reinvestments of distributions to holders of redeemable units	3 566	680	182	20	6	—	757	265
Redemption of redeemable units	(16 424)	(5 916)	(520)	(114)	(158)	—	(13 192)	(1 698)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	43 386	7 023	2 822	401	194	8	4 217	5 964
Distributions from net income	—	—	—	—	—	—	(46)	(28)
Distributions from net gains	(3 643)	(700)	(192)	(22)	(10)	—	(715)	(238)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 643)	(700)	(192)	(22)	(10)	—	(761)	(266)
NET INCREASE (DECREASE) IN NAV	37 167	10 227	2 491	482	168	8	3 486	6 507
NAV AT END OF PERIOD	\$ 61 974	\$ 24 807	\$ 3 273	\$ 782	\$ 176	\$ 8	\$ 11 918	\$ 8 432

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 15 016	\$ 6 318	\$ 62	\$ —	\$ 872 787	\$ 778 868	\$ 921 894	\$ 801 991
INCREASE (DECREASE) IN NAV	(2 919)	2 052	(61)	1	27 055	198 869	21 374	205 738
Early redemption fees	1	1	—	—	—	—	1	1
Proceeds from redeemable units issued	59 288	11 403	937	62	100 687	71 640	237 314	103 264
Reinvestments of distributions to holders of redeemable units	2 984	418	23	1	57 481	37 995	64 999	39 379
Redemption of redeemable units	(10 895)	(4 659)	(285)	—	(221 991)	(176 574)	(263 465)	(188 961)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	51 378	7 163	675	63	(63 823)	(66 939)	38 849	(46 317)
Distributions from net income	(401)	(87)	(2)	—	(12 366)	(13 191)	(12 815)	(13 306)
Distributions from net gains	(3 548)	(430)	(37)	(2)	(45 181)	(24 820)	(53 326)	(26 212)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 949)	(517)	(39)	(2)	(57 547)	(38 011)	(66 141)	(39 518)
NET INCREASE (DECREASE) IN NAV	44 510	8 698	575	62	(94 315)	93 919	(5 918)	119 903
NAV AT END OF PERIOD	\$ 59 526	\$ 15 016	\$ 637	\$ 62	\$ 778 472	\$ 872 787	\$ 915 976	\$ 921 894

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Series T5 and Series FT5 units were started February 15, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	56.7	54.4
United Kingdom	6.1	5.9
Switzerland	5.7	4.5
Japan	5.3	5.6
Netherlands	4.6	3.6
Germany	3.2	2.8
India	3.1	2.8
Belgium	2.7	2.6
Taiwan	2.2	3.1
Denmark	1.9	1.7
Hong Kong	1.9	2.5
South Africa	1.8	2.7
Ireland	1.6	2.1
Australia	1.1	1.5
France	1.0	1.2
Canada	–	0.7
Cash/Other	1.1	2.3
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	60.4	59.1
Euro	11.4	10.2
Pound sterling	7.7	8.0
Swiss franc	5.7	4.5
Japanese yen	5.3	5.6
Hong Kong dollar	1.9	2.5
Danish krone	1.9	1.7
South African rand	1.8	2.7
Indian rupee	1.7	1.3
Australian dollar	1.1	1.5
Swedish krona	0.7	–
Total	99.6	97.1

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.2	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	551 699	359 305	–	911 004
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	8	–	8
Derivatives – liabilities	–	(15)	–	(15)
Total financial instruments	551 699	359 298	–	910 997
% of total portfolio	60.6	39.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	550 310	350 286	–	900 596
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	20 952	–	20 952
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	550 310	371 238	–	921 548
% of total portfolio	59.7	40.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	111	104
Series T5	85	79
Series F	113	106
Series FT5	85	79
Value of all units	6	6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 611	1 145
Issued number of units	3 419	837
Reinvested number of units	250	44
Redeemed number of units	(1 006)	(415)
Ending number of units	4 274	1 611

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	51	24
Issued number of units	194	34
Reinvested number of units	13	1
Redeemed number of units	(31)	(8)
Ending number of units	227	51
Series T5		
Opening units	1	–
Issued number of units	22	1
Reinvested number of units	–	–
Redeemed number of units	(10)	–
Ending number of units	13	1
Series D		
Opening units	538	149
Issued number of units	995	491
Reinvested number of units	52	17
Redeemed number of units	(781)	(119)
Ending number of units	804	538
Series F		
Opening units	954	488
Issued number of units	3 503	765
Reinvested number of units	204	26
Redeemed number of units	(661)	(325)
Ending number of units	4 000	954
Series FT5		
Opening units	4	–
Issued number of units	56	4
Reinvested number of units	2	–
Redeemed number of units	(18)	–
Ending number of units	44	4
Series O		
Opening units	55 365	60 027
Issued number of units	6 000	4 997
Reinvested number of units	3 927	2 378
Redeemed number of units	(13 021)	(12 037)
Ending number of units	52 271	55 365

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	475	100	1 114	100
Related-party brokerage commissions*	5	1	24	2
Commission arrangements†	266	56	864	78

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	10 343	44 965
Fair value of collateral received	10 550	45 864

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	322	100	167	100
RBC IS (paid)	(80)	(25)	(46)	(28)
Tax withheld	(3)	(1)	(11)	(6)
Fund revenue	239	74	110	66

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Global Equity Class	1.3	0.5
RBC Select Conservative Portfolio	35.6	37.2
RBC Select Very Conservative Portfolio	15.4	20.2
Total	52.3	57.9

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	8	(15)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	8	(15)
Related amounts not set-off	(8)	8
Collateral (received) pledged	–	–
Net amount	–	(7)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	–	–
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL EQUITY FOCUS FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Belgium				
1 128 765	Anheuser-Busch InBev S.A./N.V.	\$ 147 283	\$ 101 519	
		147 283	101 519	2.9
Germany				
3 604 057	Deutsche Post AG	152 450	134 369	
		152 450	134 369	3.9
Hong Kong				
6 723 545	AIA Group Ltd.	60 037	76 249	
		60 037	76 249	2.2
India				
2 060 700	HDFC Bank Ltd.	65 929	85 579	
170 379	HDFC Bank Ltd. ADR	12 787	24 085	
		78 716	109 664	3.2
Ireland				
531 378	Paddy Power Betfair Plc.	80 316	59 251	
		80 316	59 251	1.7
Japan				
2 064 232	MISUMI Group Inc.	70 878	59 368	
662 750	Nidec Corp.	98 323	102 374	
		169 201	161 742	4.7
Netherlands				
2 426 125	Unilever N.V.	175 637	179 426	
		175 637	179 426	5.2
South Africa				
280 188	Naspers Ltd.	54 161	76 585	
		54 161	76 585	2.2
Switzerland				
586 584	Roche Holdings AG Genusschein	191 188	198 807	
		191 188	198 807	5.8
Taiwan				
1 418 848	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	51 759	71 466	
		51 759	71 466	2.1
United Kingdom				
955 281	Croda International Plc.	73 257	77 885	
1 040 144	InterContinental Hotels Group Plc.	69 985	76 812	
3 088 346	St. James's Place Plc.	51 400	50 779	
		194 642	205 476	6.0
United States				
84 292	Alphabet Inc., Class A	89 265	120 352	
51 888	Amazon.com, Inc.	50 174	106 396	
899 900	American Water Works Co. Inc.	111 029	111 515	
2 272 139	Blackstone Group LP	90 016	92 468	
558 869	Citigroup Inc.	44 069	39 709	
1 508 486	Danaher Corp.	168 382	212 364	
1 208 858	EOG Resources Inc.	144 762	143 926	
659 417	Estée Lauder Companies Inc., Class A	80 823	117 121	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
1 454 804	First Republic Bank	\$ 144 052	\$ 172 681	
1 638 022	Fortive Corp.	124 039	151 303	
644 276	Gartner Inc.	94 933	112 444	
516 750	Incyte Corporation Ltd.	54 150	44 861	
323 430	MarketAxess Holdings Inc.	80 262	93 303	
892 802	Microsoft Corp.	96 657	123 915	
329 616	SVB Financial Group	86 137	85 462	
2 304 528	TJX Companies Inc.	106 145	140 758	
574 402	UnitedHealth Group Incorporated	111 823	195 396	
		1 676 718	2 063 974	59.9
TOTAL GLOBAL EQUITIES				
		3 032 108	3 438 528	99.8
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	4	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(9)	—
TOTAL PORTFOLIO				
		\$3 032 108	3 438 523	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			7 214	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$3 445 737	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HKD 1 442 Sold CAD 251 @ 5.7384	03-Jan-2019	\$ —
Bought JPY 43 579 Sold CAD 539 @ 80.8928	08-Jan-2019	4
		\$ 4
Contracts	Maturity Date	Unrealized Loss
Bought CAD 89 Sold ZAR 948 @ 0.0942	02-Jan-2019	\$ (1)
Bought CAD 713 Sold JPY 57 877 @ 0.0123	04-Jan-2019	(8)
		\$ (9)
TOTAL FOREIGN EXCHANGE		\$ (5)

All counterparties have a credit rating of at least A.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 3 438 528	\$ 2 943 277
Cash	—	1 134
Due from investment dealers	9 138	—
Subscriptions receivable	880	854
Unrealized gain on foreign exchange contracts	4	1
Dividends receivable, interest accrued and other assets	280	681
TOTAL ASSETS	3 448 830	2 945 947
LIABILITIES		
Bank overdraft	843	—
Due to investment dealers	1 408	2 499
Redemptions payable	496	370
Unrealized loss on foreign exchange contracts	9	15
Distributions payable	55	3
Accounts payable and accrued expenses	282	132
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 093	3 019
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 3 445 737	\$ 2 942 928
Investments at cost	\$ 3 032 108	\$ 2 318 159
NAV		
SERIES A	\$ 56 218	\$ 19 719
ADVISOR SERIES	\$ 9 322	\$ 2 578
SERIES T5	\$ 1 276	\$ 126
SERIES D	\$ 15 838	\$ 15 243
SERIES F	\$ 86 870	\$ 29 915
SERIES FT5	\$ 8 544	\$ 684
SERIES O	\$ 3 267 669	\$ 2 874 663
NAV PER UNIT		
SERIES A	\$ 15.02	\$ 15.70
ADVISOR SERIES	\$ 15.00	\$ 15.69
SERIES T5	\$ 14.60	\$ 15.31
SERIES D	\$ 15.47	\$ 16.06
SERIES F	\$ 15.50	\$ 16.09
SERIES FT5	\$ 14.96	\$ 15.74
SERIES O	\$ 15.62	\$ 16.25

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 54 025	\$ 43 727
Interest for distribution purposes	415	241
Derivative income	(389)	(614)
Net realized gain (loss) on investments	206 232	188 091
Change in unrealized gain (loss) on investments	(218 689)	369 791
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	41 594	601 236
Other income (loss)	5	—
Securities lending revenue		
(see note 7 in the generic notes)	1 104	296
Net gain (loss) on foreign cash balances	(424)	(3 977)
TOTAL OTHER INCOME (LOSS)	685	(3 681)
TOTAL INCOME (LOSS)	42 279	597 555
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 677	405
Administration fees	872	552
Independent Review Committee costs	2	3
GST/HST	245	90
Transaction costs	2 224	3 940
Withholding tax	6 246	4 941
TOTAL EXPENSES	11 266	9 931
INCREASE (DECREASE) IN NAV	\$ 31 013	\$ 587 624
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (2 491)	\$ 2 532
ADVISOR SERIES	\$ (487)	\$ 218
SERIES T5	\$ 124	\$ 7
SERIES D	\$ (38)	\$ 1 028
SERIES F	\$ (3 432)	\$ 3 442
SERIES FT5	\$ (707)	\$ 37
SERIES O	\$ 38 044	\$ 580 360
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.93)	\$ 3.12
ADVISOR SERIES	\$ (1.14)	\$ 3.18
SERIES T5	\$ 1.48	\$ 3.65
SERIES D	\$ (0.03)	\$ 2.88
SERIES F	\$ (0.90)	\$ 3.32
SERIES FT5	\$ (2.25)	\$ 3.70
SERIES O	\$ 0.20	\$ 3.54

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 31 013	\$ 587 624
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(204 062)	(185 098)
Change in unrealized loss (gain) on investments	218 689	(369 791)
(Increase) decrease in accrued receivables	401	362
Increase (decrease) in accrued payables	150	73
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 587 692)	(1 902 347)
Proceeds from sale and maturity of investments	2 067 576	1 669 230
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(473 925)	(199 947)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	1 144 684	608 819
Cash paid on redemption of redeemable units	(655 662)	(400 147)
Distributions paid to holders of redeemable units	(17 074)	(7 954)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 471 948	\$ 200 718
Net increase (decrease) in cash for the period	(1 977)	771
Cash (bank overdraft), beginning of period	1 134	363
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (843)	\$ 1 134
Interest received (paid)	\$ 427	\$ 231
Dividends received, net of withholding taxes	\$ 48 173	\$ 39 158

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 719	\$ 7 843	\$ 2 578	\$ 365	\$ 126	\$ —	\$ 15 243	\$ 2 415
INCREASE (DECREASE) IN NAV	(2 491)	2 532	(487)	218	124	7	(38)	1 028
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	53 338	13 769	8 979	2 353	8 117	150	25 439	13 415
Reinvestments of distributions to holders of redeemable units	2 384	530	388	68	5	2	690	450
Redemption of redeemable units	(14 300)	(4 406)	(1 745)	(356)	(7 028)	(30)	(24 790)	(1 612)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	41 422	9 893	7 622	2 065	1 094	122	1 339	12 253
Distributions from net income	(1)	—	—	—	—	—	(31)	(23)
Distributions from net gains	(2 431)	(549)	(391)	(70)	(54)	(3)	(675)	(430)
Distributions from capital	—	—	—	—	(14)	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 432)	(549)	(391)	(70)	(68)	(3)	(706)	(453)
NET INCREASE (DECREASE) IN NAV	36 499	11 876	6 744	2 213	1 150	126	595	12 828
NAV AT END OF PERIOD	\$ 56 218	\$ 19 719	\$ 9 322	\$ 2 578	\$ 1 276	\$ 126	\$ 15 838	\$ 15 243

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 29 915	\$ 6 632	\$ 684	\$ —	\$ 2 874 663	\$ 2 137 571	\$ 2 942 928	\$ 2 154 826
INCREASE (DECREASE) IN NAV	(3 432)	3 442	(707)	37	38 044	580 360	31 013	587 624
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	84 003	27 366	10 067	655	977 025	558 532	1 166 968	616 240
Reinvestments of distributions to holders of redeemable units	2 996	712	124	12	172 625	111 791	179 212	113 565
Redemption of redeemable units	(22 538)	(7 255)	(1 237)	(1)	(606 408)	(394 145)	(678 046)	(407 805)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	64 461	20 823	8 954	666	543 242	276 178	668 134	322 000
Distributions from net income	(296)	(119)	(25)	(1)	(45 878)	(38 785)	(46 231)	(38 928)
Distributions from net gains	(3 778)	(863)	(362)	(18)	(142 402)	(80 661)	(150 093)	(82 594)
Distributions from capital	—	—	—	—	—	—	(14)	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 074)	(982)	(387)	(19)	(188 280)	(119 446)	(196 338)	(121 522)
NET INCREASE (DECREASE) IN NAV	56 955	23 283	7 860	684	393 006	737 092	502 809	788 102
NAV AT END OF PERIOD	\$ 86 870	\$ 29 915	\$ 8 544	\$ 684	\$ 3 267 669	\$ 2 874 663	\$ 3 445 737	\$ 2 942 928

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Series T5 and Series FT5 units were started February 15, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	59.9	56.9
United Kingdom	6.0	6.9
Switzerland	5.8	4.6
Netherlands	5.2	3.2
Japan	4.7	4.4
Germany	3.9	3.6
India	3.2	4.3
Belgium	2.9	3.0
Hong Kong	2.2	2.6
South Africa	2.2	3.0
Taiwan	2.1	3.1
Ireland	1.7	2.9
Cash/Other	0.2	1.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	62.9	62.6
Euro	12.0	9.8
Pound sterling	7.7	9.9
Swiss franc	5.8	4.6
Japanese yen	4.7	4.4
Indian rupee	2.5	1.6
Hong Kong dollar	2.2	2.6
South African rand	2.2	3.0
Total	100.0	98.5

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.2	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 159 525	1 279 003	–	3 438 528
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	4	–	4
Derivatives – liabilities	–	(9)	–	(9)
Total financial instruments	2 159 525	1 278 998	–	3 438 523
% of total portfolio	62.8	37.2	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	1 840 881	1 058 690	–	2 899 571
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	43 706	–	43 706
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	(15)	–	(15)
Total financial instruments	1 840 881	1 102 382	–	2 943 263
% of total portfolio	62.5	37.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Advisor Series	112	107
Series T5	82	78
Series FT5	81	76
Series O	372	—
Value of all units	10	4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	1 256	603
Issued number of units	3 186	918
Reinvested number of units	162	33
Redeemed number of units	(860)	(298)
Ending number of units	3 744	1 256

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	164	28
Issued number of units	537	155
Reinvested number of units	26	4
Redeemed number of units	(106)	(23)
Ending number of units	621	164

Series T5		
Opening units	8	—
Issued number of units	501	10
Reinvested number of units	—	—
Redeemed number of units	(422)	(2)
Ending number of units	87	8

Series D		
Opening units	949	183
Issued number of units	1 482	845
Reinvested number of units	45	28
Redeemed number of units	(1 452)	(107)
Ending number of units	1 024	949

Series F		
Opening units	1 860	501
Issued number of units	4 883	1 803
Reinvested number of units	197	44
Redeemed number of units	(1 337)	(488)
Ending number of units	5 603	1 860

Series FT5		
Opening units	43	—
Issued number of units	595	42
Reinvested number of units	8	1
Redeemed number of units	(75)	—
Ending number of units	571	43

Series O		
Opening units	176 926	159 795
Issued number of units	56 102	36 273
Reinvested number of units	11 254	6 786
Redeemed number of units	(35 059)	(25 928)
Ending number of units	209 223	176 926

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	2 224	100	3 940	100
Related-party brokerage commissions*	—	—	6	—
Commission arrangements†	1 073	48	2 978	76

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	76 349	139 220
Fair value of collateral received	77 876	142 004

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1 494	100	451	100
RBC IS (paid)	(374)	(25)	(125)	(28)
Tax withheld	(16)	(1)	(30)	(7)
Fund revenue	1 104	74	296	65

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North Balanced Fund	5.6	6.9
Phillips, Hager & North Balanced Pension Trust	4.6	6.0
Phillips, Hager & North LifeTime 2020 Fund	—	—
Phillips, Hager & North LifeTime 2025 Fund	0.1	0.1
Phillips, Hager & North LifeTime 2030 Fund	0.1	0.2
Phillips, Hager & North LifeTime 2035 Fund	0.3	0.3
Phillips, Hager & North LifeTime 2040 Fund	0.3	0.3
Phillips, Hager & North LifeTime 2045 Fund	0.7	0.7
Phillips, Hager & North LifeTime 2050 Fund	0.3	0.2
Phillips, Hager & North LifeTime 2055 Fund	—	—
Phillips, Hager & North PRisM Balanced Fund	3.3	3.3
RBC Global Equity Focus Currency Neutral Fund	0.2	—
RBC Global Growth & Income Fund	1.5	0.5
RBC Retirement 2020 Portfolio	0.1	—
RBC Retirement 2025 Portfolio	0.1	—
RBC Retirement 2030 Portfolio	0.1	0.1
RBC Retirement 2035 Portfolio	0.1	0.1
RBC Retirement 2040 Portfolio	0.1	—
RBC Retirement 2045 Portfolio	0.1	—
RBC Retirement 2050 Portfolio	0.1	—
RBC Select Aggressive Growth Portfolio	2.7	3.0

	December 31 2018	December 31 2017
RBC Select Balanced Portfolio	25.7	27.3
RBC Select Growth Portfolio	12.0	13.1
RBC Total Return Growth Fund	—	—
Total	58.1	62.1

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	4	(9)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	4	(9)
Related amounts not set-off	—	—
Collateral (received) pledged	—	—
Net amount	4	(9)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	(15)
Amounts set-off in the Statements of Financial Position	—	—
Net amounts presented in the Statements of Financial Position	1	(15)
Related amounts not set-off	(1)	1
Collateral (received) pledged	—	—
Net amount	—	(14)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL EQUITY FOCUS CURRENCY NEUTRAL FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
345 944	RBC Global Equity Focus Fund*	\$ 6 121	\$ 5 403	
TOTAL UNDERLYING FUNDS		6 121	5 403	103.5
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	27	0.5
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(185)	(3.5)
TOTAL PORTFOLIO		<u>\$ 6 121</u>	5 245	100.5
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			(23)	(0.5)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$</u>	<u>5 222</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought HKD 180 Sold CAD 31 @ 5.8415	10-Jan-2019	\$ 1
Bought HKD 280 Sold CAD 49 @ 5.7504	10-Jan-2019	—
Bought JPY 11 700 Sold CAD 144 @ 81.5029	10-Jan-2019	2
Bought USD 50 Sold CAD 66 @ 0.7560	10-Jan-2019	2
Bought ZAR 215 Sold CAD 20 @ 10.6505	10-Jan-2019	—
Bought CAD 178 Sold USD 130 @ 1.3630	11-Jan-2019	—
Bought CAD 334 Sold USD 245 @ 1.3627	15-Jan-2019	—
Bought USD 80 Sold CAD 103 @ 0.7740	16-Jan-2019	6
Bought USD 25 Sold CAD 34 @ 0.7324	16-Jan-2019	—
Bought CHF 90 Sold CAD 124 @ 0.7248	17-Jan-2019	1
Bought GBP 100 Sold CAD 172 @ 0.5802	17-Jan-2019	2
Bought EUR 20 Sold CAD 31 @ 0.6390	18-Jan-2019	—
Bought CAD 647 Sold USD 474 @ 1.3635	25-Jan-2019	—
Bought CAD 5 Sold CHF 4 @ 1.3184	29-Jan-2019	—
Bought EUR 190 Sold CAD 297 @ 0.6408	31-Jan-2019	1
Bought CAD 15 Sold HKD 87 @ 0.1707	04-Feb-2019	—
Bought CAD 13 Sold ZAR 145 @ 0.0919	08-Feb-2019	—
Bought USD 65 Sold CAD 86 @ 0.7586	11-Feb-2019	3
Bought CAD 11 Sold HKD 63 @ 0.1685	14-Feb-2019	—
Bought USD 1 050 Sold CAD 1 428 @ 0.7355	22-Feb-2019	4
Bought GBP 40 Sold CAD 68 @ 0.5918	28-Feb-2019	2
Bought USD 40 Sold CAD 54 @ 0.7475	05-Mar-2019	1
Bought USD 50 Sold CAD 67 @ 0.7440	05-Mar-2019	1
Bought CAD 22 Sold GBP 13 @ 1.7190	06-Mar-2019	—
Bought CAD 24 Sold ZAR 258 @ 0.0935	06-Mar-2019	—
Bought INR 2 250 Sold CAD 43 @ 51.9480	11-Mar-2019	—
Bought USD 35 Sold CAD 47 @ 0.7429	20-Mar-2019	1
		<u>\$ 27</u>

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 36 Sold JPY 3 116 @ 0.0115	08-Jan-2019	\$ (3)
Bought CAD 22 Sold JPY 1 929 @ 0.0116	10-Jan-2019	(2)
Bought CAD 67 Sold HKD 400 @ 0.1670	10-Jan-2019	(3)
Bought CAD 63 Sold ZAR 705 @ 0.0896	10-Jan-2019	(4)
Bought CAD 47 Sold EUR 31 @ 1.4907	16-Jan-2019	(2)
Bought CAD 246 Sold USD 190 @ 1.2964	16-Jan-2019	(13)
Bought CAD 19 Sold GBP 11 @ 1.6702	17-Jan-2019	(1)
Bought CAD 26 Sold EUR 17 @ 1.5094	17-Jan-2019	(1)
Bought CAD 16 Sold CHF 12 @ 1.3174	17-Jan-2019	(1)
Bought CAD 43 Sold ZAR 465 @ 0.0931	17-Jan-2019	(1)
Bought CAD 54 Sold EUR 36 @ 1.5005	18-Jan-2019	(2)
Bought CAD 39 Sold CHF 30 @ 1.3157	18-Jan-2019	(2)
Bought CAD 24 Sold GBP 14 @ 1.7008	22-Jan-2019	(1)
Bought CAD 38 Sold JPY 3 255 @ 0.0115	22-Jan-2019	(3)
Bought CAD 52 Sold HKD 308 @ 0.1700	22-Jan-2019	(1)
Bought CAD 37 Sold CHF 28 @ 1.3253	23-Jan-2019	(2)
Bought CAD 26 Sold CHF 20 @ 1.3136	25-Jan-2019	(2)
Bought CAD 94 Sold USD 72 @ 1.3110	28-Jan-2019	(4)
Bought CAD 42 Sold GBP 25 @ 1.6750	30-Jan-2019	(2)
Bought CAD 32 Sold GBP 18 @ 1.7124	31-Jan-2019	(1)
Bought CAD 107 Sold EUR 71 @ 1.5174	31-Jan-2019	(4)
Bought CAD 30 Sold EUR 20 @ 1.5095	31-Jan-2019	(1)
Bought CAD 30 Sold EUR 20 @ 1.5047	31-Jan-2019	(1)
Bought CAD 38 Sold EUR 25 @ 1.5231	31-Jan-2019	(1)
Bought CAD 20 Sold CHF 15 @ 1.3113	04-Feb-2019	(1)
Bought CAD 77 Sold EUR 51 @ 1.5051	05-Feb-2019	(3)
Bought CAD 44 Sold EUR 29 @ 1.5022	06-Feb-2019	(2)
Bought CAD 39 Sold GBP 23 @ 1.6834	07-Feb-2019	(1)
Bought CAD 26 Sold GBP 15 @ 1.7039	07-Feb-2019	(1)
Bought CAD 11 Sold JPY 940 @ 0.0117	08-Feb-2019	(1)
Bought CAD 19 Sold HKD 113 @ 0.1684	08-Feb-2019	(1)
Bought CAD 212 Sold USD 163 @ 1.3065	11-Feb-2019	(9)
Bought CAD 50 Sold JPY 4 320 @ 0.0117	12-Feb-2019	(4)
Bought CAD 47 Sold JPY 4 000 @ 0.0118	12-Feb-2019	(3)
Bought CAD 72 Sold CHF 53 @ 1.3497	13-Feb-2019	(2)
Bought CAD 125 Sold EUR 82 @ 1.5142	20-Feb-2019	(5)
Bought CAD 1 897 Sold USD 1 393 @ 1.3619	22-Feb-2019	(2)
Bought CAD 244 Sold USD 185 @ 1.3198	27-Feb-2019	(8)
Bought CAD 241 Sold USD 181 @ 1.3293	28-Feb-2019	(6)
Bought CAD 340 Sold GBP 200 @ 1.6991	28-Feb-2019	(9)
Bought CAD 33 Sold JPY 2 808 @ 0.0119	28-Feb-2019	(2)
Bought CAD 68 Sold GBP 40 @ 1.6948	01-Mar-2019	(2)
Bought CAD 302 Sold EUR 200 @ 1.5125	01-Mar-2019	(11)
Bought CAD 118 Sold JPY 10 000 @ 0.0118	04-Mar-2019	(7)
Bought CAD 433 Sold USD 327 @ 1.3242	05-Mar-2019	(13)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 32 Sold HKD 189 @ 0.1710	07-Mar-2019	\$ (1)
Bought CAD 52 Sold CHF 39 @ 1.3354	08-Mar-2019	(2)
Bought CAD 24 Sold JPY 2 000 @ 0.0118	11-Mar-2019	(1)
Bought CAD 178 Sold INR 9 500 @ 0.0187	11-Mar-2019	(7)
Bought CAD 171 Sold CHF 125 @ 1.3659	13-Mar-2019	(4)
Bought CAD 47 Sold GBP 28 @ 1.6846	19-Mar-2019	(2)
Bought CAD 648 Sold USD 487 @ 1.3318	20-Mar-2019	(14)
Bought CAD 40 Sold USD 30 @ 1.3323	20-Mar-2019	(1)
Bought CAD 66 Sold EUR 44 @ 1.5260	21-Mar-2019	(2)
		\$ (185)
TOTAL FOREIGN EXCHANGE		\$ (158)

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).



Statement of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018
ASSETS	
Investments at fair value	\$ 5 403
Due from investment dealers	125
Subscriptions receivable	1
Unrealized gain on foreign exchange contracts	27
TOTAL ASSETS	5 556
LIABILITIES	
Bank overdraft	115
Redemptions payable	28
Unrealized loss on foreign exchange contracts	185
Accounts payable and accrued expenses	6
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	334
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 5 222
Investments at cost	\$ 6 121
NAV	
SERIES A	\$ 946
ADVISOR SERIES	\$ 42
SERIES D	\$ 461
SERIES F	\$ 1 439
SERIES O	\$ 2 334
NAV PER UNIT	
SERIES A	\$ 8.61
ADVISOR SERIES	\$ 8.62
SERIES D	\$ 8.61
SERIES F	\$ 8.62
SERIES O	\$ 8.61

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Interest for distribution purposes	\$ (1)
Income from investment trusts	450
Derivative income	(175)
Net realized gain (loss) on investments	(374)
Change in unrealized gain (loss) on investments	(876)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(976)
TOTAL INCOME (LOSS)	(976)
EXPENSES (see notes – Fund Specific Information)	
Management fees	26
Administration fees	5
Independent Review Committee costs	2
GST/HST	4
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	35
INCREASE (DECREASE) IN NAV	\$ (1 011)
INCREASE (DECREASE) IN NAV	
SERIES A	\$ (103)
ADVISOR SERIES	\$ (3)
SERIES D	\$ (34)
SERIES F	\$ (651)
SERIES O	\$ (220)
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ (1.53)
ADVISOR SERIES	\$ (3.65)
SERIES D	\$ (1.09)
SERIES F	\$ (3.61)
SERIES O	\$ (2.05)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (1 011)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes –

Non-cash distributions from underlying funds (450)

Net realized loss (gain) on investments 374

Change in unrealized loss (gain) on investments 876

(Increase) decrease in accrued receivables –

Increase (decrease) in accrued payables 6

(Increase) decrease in margin accounts –

Cost of investments purchased (21 533)

Proceeds from sale and maturity of investments 15 363

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (6 375)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 10 494

Cash paid on redemption of redeemable units (3 966)

Distributions paid to holders of redeemable units (268)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 6 260

Net increase (decrease) in cash for the period (115)

Cash (bank overdraft), beginning of period –

CASH (BANK OVERDRAFT), END OF PERIOD \$ (115)

Interest received (paid) \$ (1)

Dividends received, net of withholding taxes \$ –



Statement of Changes in NAV (in \$000s)

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(103)	(3)	(34)	(651)
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	1 368	45	618	5 609
Reinvestments of distributions to holders of redeemable units	40	2	23	17
Redemption of redeemable units	(319)	—	(124)	(3 330)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 089	47	517	2 296
Distributions from net income	—	—	(3)	(38)
Distributions from net gains	(40)	(2)	(19)	(168)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(40)	(2)	(22)	(206)
NET INCREASE (DECREASE) IN NAV	946	42	461	1 439
NAV AT END OF PERIOD	\$ 946	\$ 42	\$ 461	\$ 1 439

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(220)	(1 011)
Early redemption fees	—	—
Proceeds from redeemable units issued	2 878	10 518
Reinvestments of distributions to holders of redeemable units	52	134
Redemption of redeemable units	(244)	(4 017)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	2 686	6 635
Distributions from net income	(41)	(82)
Distributions from net gains	(91)	(320)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(132)	(402)
NET INCREASE (DECREASE) IN NAV	2 334	5 222
NAV AT END OF PERIOD	\$ 2 334	\$ 5 222

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 was started January 17, 2018.

Financial instrument risk and capital management (see note 5 in the generic notes)

The Fund invests primarily in the RBC Global Equity Focus Fund. The Fund’s exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund’s direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018
Investment mix	
United States	59.9
United Kingdom	6.0
Switzerland	5.8
Netherlands	5.2
Japan	4.7
Germany	3.9
India	3.2
Belgium	2.9
Hong Kong	2.2
South Africa	2.2
Taiwan	2.1
Ireland	1.7
Cash/Other	0.2
Total	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund’s NAV, using an 11-month historical correlation of data of the Fund’s return and the index, with all other factors kept constant, as at:

	December 31 2018
MSCI World Total Return Net Index (hedged to CAD)	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	5 403	–	–	5 403
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	27	–	27
Derivatives – liabilities	–	(185)	–	(185)
Total financial instruments	5 403	(158)	–	5 245
% of total portfolio	103.0	(3.0)	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	105
Advisor Series	105
Series D	105
Series F	106
Series O	15 571
Value of all units	138

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
RBC Global Equity		
Focus Fund	103.5	0.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes) 2018

Series A	
Opening units	–
Issued number of units	139
Reinvested number of units	5
Redeemed number of units	(34)
Ending number of units	110
Advisor Series	
Opening units	–
Issued number of units	5
Reinvested number of units	–
Redeemed number of units	–
Ending number of units	5

For the period ended December 31 (see note 2 in the generic notes) 2018	
Series D	
Opening units	–
Issued number of units	64
Reinvested number of units	3
Redeemed number of units	(13)
Ending number of units	54
Series F	
Opening units	–
Issued number of units	554
Reinvested number of units	2
Redeemed number of units	(389)
Ending number of units	167
Series O	
Opening units	–
Issued number of units	294
Reinvested number of units	6
Redeemed number of units	(29)
Ending number of units	271



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC QUBE GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
181 491	AGL Energy Ltd.	\$ 3 411	\$ 3 598	
37 471	Brambles Ltd.	360	366	
10 446	Cochlear Limited	2 016	1 747	
57 102	Flight Centre Travel Group Ltd.	3 088	2 358	
545 392	Qantas Airways Ltd.	2 992	3 037	
276 893	Stockland Real Estate Investment Trust	1 075	938	
176 843	Wesfarmers Ltd.	8 055	5 485	
78 405	Woolworths Group Ltd.	2 162	2 220	
		23 159	19 749	6.7
Canada				
2 100	Constellation Software Inc.	1 668	1 835	
1 200	Imperial Oil Ltd.	42	42	
		1 710	1 877	0.6
Denmark				
15 357	Carlsberg A/S	2 391	2 230	
8 765	Coloplast A/S	1 108	1 111	
74 053	Danske Bank A/S	3 449	2 004	
19 136	DSV A/S	2 073	1 719	
24 734	H. Lundbeck A/S	1 893	1 483	
92 864	Novo Nordisk A/S	5 390	5 813	
18 239	Pandora A/S	1 151	1 017	
		17 455	15 377	5.2
Finland				
4 011	Neste OYJ	442	423	
		442	423	0.1
France				
24 335	Peugeot S.A.	761	703	
		761	703	0.2
Germany				
805	Adidas AG	230	230	
4 051	Allianz SE	1 086	1 115	
65 238	Commerzbank AG	910	591	
57 874	Covestro AG	5 965	3 916	
14 894	Deutsche Lufthansa AG	484	459	
158 682	Deutsche Telekom AG	3 365	3 684	
511	Henkel KGaA, Preferred Non-Voting	75	76	
97 018	ProSiebenSat.1 Media SE	3 100	2 357	
12 139	RTL Group S.A.	988	885	
		16 203	13 313	4.5
Hong Kong				
57 300	Henderson Land Development	422	389	
36 400	Sands China Ltd.	259	217	
43 200	Sun Hung Kai Properties Ltd.	842	842	
50 200	Wheelock & Co. Ltd.	316	392	
690 000	Wynn Macau Ltd.	3 179	2 051	
		5 018	3 891	1.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Japan				
73 500	Astellas Pharma Inc.	\$ 1 599	\$ 1 282	
81 800	Japan Post Holdings Co. Ltd.	1 265	1 289	
67 150	Kajima Corp.	1 607	1 231	
10 600	Kirin Brewery Co. Ltd.	298	302	
224 400	Mitsubishi UFJ Financial Group Inc.	1 547	1 503	
33 900	Sony Corp.	2 447	2 231	
10 400	Sumitomo Mitsui Financial Group Inc.	482	468	
17 000	Suzuken Co. Ltd.	991	1 182	
65 800	Taisei Corp.	4 335	3 847	
311 700	Tokyo Electric Power Co. Holdings Inc.	2 046	2 528	
		16 617	15 863	5.4
Netherlands				
110 467	Aegon N.V.	754	706	
20 980	NN Group N.V.	1 194	1 139	
1 823	NXP Semiconductor N.V.	190	182	
		2 138	2 027	0.7
New Zealand				
110 872	a2 Milk Co. Ltd.	1 077	1 137	
		1 077	1 137	0.4
Norway				
264 314	Equinor ASA	7 457	7 654	
7 331	Marine Harvest	214	211	
40 226	Orkla ASA	501	430	
151 810	Telenor ASA	4 179	4 025	
		12 351	12 320	4.2
Spain				
170 245	International Consolidated Airlines Group S.A.	1 901	1 843	
		1 901	1 843	0.6
Sweden				
49 752	Epiroc AB	564	642	
26 799	Swedish Match AB	1 799	1 437	
		2 363	2 079	0.7
Switzerland				
168	Barry Callebaut AG	425	358	
300	Partners Group Holding AG	248	249	
26 585	Roche Holdings AG Genussscheine	8 704	9 010	
		9 377	9 617	3.3
United Kingdom				
170 148	3i Group Plc.	1 644	2 292	
39 696	Anglo American Plc.	720	1 212	
109 083	Centrica Plc.	321	257	
191 421	Tesco Plc.	813	634	
517 871	The Royal Bank of Scotland Group Plc.	2 154	1 961	
		5 652	6 356	2.2

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United States				
12 100	Accenture Plc., Class A	\$ 2 482	\$ 2 329	
36 630	Ally Financial Inc.	1 315	1 133	
2 706	Alphabet Inc., Class C	4 210	3 832	
48 520	Altria Group Inc.	3 482	3 272	
2 239	Amazon.com, Inc.	5 170	4 591	
40 468	Ameriprise Financial Inc.	7 468	5 767	
29 556	Amgen Inc.	7 432	7 859	
6 297	Apple Inc.	1 600	1 358	
3 740	Automatic Data Processing Inc.	675	670	
22 463	Best Buy Co. Inc.	2 296	1 624	
14 562	Boeing Co.	3 742	6 411	
2 023	Booking Holdings Inc.	4 796	4 759	
15 447	Bristol-Myers Squibb Co.	1 205	1 096	
764	Burlington Stores Inc.	161	170	
19 685	Capital One Financial Corp.	2 058	2 031	
108 214	Citigroup Inc.	9 702	7 689	
20 193	Citizens Financial Group Inc.	823	819	
33 346	ConocoPhillips	2 973	2 838	
7 098	Cummins Engine Inc.	1 279	1 295	
10 201	Eli Lilly & Co.	1 486	1 612	
25 699	Estée Lauder Companies Inc., Class A	4 828	4 564	
46 156	Expeditors International of Washington, Inc.	4 362	4 292	
6 561	F5 Networks Inc.	1 438	1 451	
17 845	Foot Locker Inc.	1 232	1 296	
43 788	Fortinet Inc.	4 780	4 210	
8 298	HCA Healthcare Inc.	1 521	1 410	
5 109	Home Depot Inc.	1 165	1 199	
73 768	Intel Corp.	4 730	4 730	
17 822	Intuit Inc.	3 508	4 789	
16 057	Kohl's Corp.	1 497	1 454	
6 745	Lululemon Athletica Inc.	1 248	1 121	
49 513	LyondellBasell Industries N.V.	6 913	5 623	
28 121	Mastercard Inc.	6 064	7 242	
65 389	Merck & Co. Inc.	6 620	6 826	
77 624	Micron Technology Inc.	4 485	3 363	
80 001	Microsoft Corp.	9 992	11 104	
33 668	Morgan Stanley	2 058	1 823	
2 495	NetApp Inc.	257	203	
50 939	Nike Inc.	5 393	5 155	
5 991	Northern Trust Corp.	696	684	
11 122	PayPal Holdings Inc.	1 284	1 278	
9 555	PepsiCo Inc.	1 460	1 441	
37 139	Philip Morris International Inc.	4 235	3 385	
56 678	Phillips 66 Company	8 506	6 667	
44 145	Robert Half International Inc.	3 627	3 448	
521	Rockwell Automation Inc.	108	107	
16 262	S&P Global Inc.	4 282	3 773	
69 802	Seagate Technology	4 626	3 681	
29 302	Simon Property Group Inc.	6 705	6 721	
11 908	Starbucks Corp.	1 035	1 047	
8 234	Sysco Corp.	718	705	
4 176	T. Rowe Price Group Inc.	632	526	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
40 086	Target Corporation	\$ 3 698	\$ 3 617	
6 626	Texas Instruments Inc.	980	855	
28 977	The Procter & Gamble Co.	3 638	3 637	
13 839	The Progressive Corp.	1 328	1 140	
91 081	TJX Companies Inc.	5 584	5 563	
573	TripAdvisor Inc.	45	42	
35 046	United Continental Holdings Inc.	4 107	4 006	
11 945	Walgreens Boots Alliance Inc.	1 247	1 115	
11 544	Waste Management Inc.	1 221	1 402	
		196 208	187 850	63.7
TOTAL GLOBAL EQUITIES		\$ 312 432	294 425	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				403
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				\$ 294 828
				100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 294 425	\$ 294 311
Cash	216	4
Subscriptions receivable	–	25
Dividends receivable, interest accrued and other assets	252	295
TOTAL ASSETS	294 893	294 635
LIABILITIES		
Distributions payable	60	762
Accounts payable and accrued expenses	5	5
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	65	767
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 294 828	\$ 293 868
Investments at cost	\$ 312 432	\$ 274 300
NAV		
SERIES O	\$ 294 828	\$ 293 868
NAV PER UNIT		
SERIES O	\$ 10.12	\$ 11.45

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 9 693	\$ 10 436
Interest for distribution purposes	(7)	(5)
Income from investment trusts	141	–
Derivative income	(234)	487
Net realized gain (loss) on investments	16 834	47 877
Change in unrealized gain (loss) on investments	(38 018)	5 264
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(11 591)	64 059
Other income (loss)	36	–
Securities lending revenue (see note 7 in the generic notes)	55	113
Net gain (loss) on foreign cash balances	168	(699)
TOTAL OTHER INCOME (LOSS)	259	(586)
TOTAL INCOME (LOSS)	(11 332)	63 473
EXPENSES (see notes – Fund Specific Information)		
Administration fees	62	64
Independent Review Committee costs	2	3
GST/HST	3	3
Transaction costs	365	550
Withholding tax	1 029	1 068
TOTAL EXPENSES	1 461	1 688
INCREASE (DECREASE) IN NAV	\$ (12 793)	\$ 61 785
INCREASE (DECREASE) IN NAV SERIES O	\$ (12 793)	\$ 61 785
INCREASE (DECREASE) IN NAV PER UNIT SERIES O	\$ (0.51)	\$ 2.47

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (12 793)	\$ 61 785
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(16 459)	(47 224)
Change in unrealized loss (gain) on investments	38 018	(5 264)
(Increase) decrease in accrued receivables	43	379
Increase (decrease) in accrued payables	—	(2)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(642 506)	(730 359)
Proceeds from sale and maturity of investments	620 833	840 209
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(12 864)	119 524
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	57 443	20 365
Cash paid on redemption of redeemable units	(43 606)	(139 654)
Distributions paid to holders of redeemable units	(761)	(379)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 13 076	\$ (119 668)
Net increase (decrease) in cash for the period	212	(144)
Cash (bank overdraft), beginning of period	4	148
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 216	\$ 4
Interest received (paid)	\$ (7)	\$ (5)
Dividends received, net of withholding taxes	\$ 8 743	\$ 9 747

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 293 868	\$ 352 109
INCREASE (DECREASE) IN NAV	(12 793)	61 785
Early redemption fees	—	—
Proceeds from redeemable units issued	57 418	20 390
Reinvestments of distributions to holders of redeemable units	24 644	57 480
Redemption of redeemable units	(43 606)	(139 654)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	38 456	(61 784)
Distributions from net income	(8 920)	(9 836)
Distributions from net gains	(15 783)	(48 406)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(24 703)	(58 242)
NET INCREASE (DECREASE) IN NAV	960	(58 241)
NAV AT END OF PERIOD	\$ 294 828	\$ 293 868

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of companies throughout the world using a quantitative investment approach.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	63.7	58.6
Australia	6.7	5.3
Japan	5.4	5.7
Denmark	5.2	5.1
Switzerland	3.3	5.4
United Kingdom	2.2	4.0
Netherlands	0.7	1.4
Canada	0.6	1.7
Spain	0.6	1.3
France	0.2	0.5
Other Countries	11.2	11.2
Cash/Other	0.2	(0.2)
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	63.8	58.7
Australian dollar	6.7	5.3
Euro	6.2	9.9
Japanese yen	5.4	5.7
Danish krone	5.2	5.1
Norwegian krone	4.2	2.0
Swiss franc	3.3	5.3
Pound sterling	2.2	2.7
Hong Kong dollar	1.3	3.3
Swedish krona	0.7	–
Other currencies	0.4	0.3
Total	99.4	98.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	189 909	104 516	–	294 425
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	189 909	104 516	–	294 425
% of total portfolio	64.5	35.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	177 112	117 199	–	294 311
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	177 112	117 199	–	294 311
% of total portfolio	60.2	39.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.02%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series 0	275	79
Value of all units	3	1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	25 664	29 881
Issued number of units	4 766	1 504
Reinvested number of units	2 436	5 020
Redeemed number of units	(3 724)	(10 741)
Ending number of units	29 142	25 664

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	365	100	550	100
Related-party brokerage commissions*	–	–	3	1
Commission arrangements†	1	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Please see the generic notes at the back of the financial statements.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	12 788	24 587
Fair value of collateral received	13 044	25 078

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	74	100	158	100
RBC IS (paid)	(18)	(25)	(41)	(26)
Tax withheld	(1)	(1)	(4)	(3)
Fund revenue	55	74	113	71

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North Balanced Fund	22.0	22.7
Phillips, Hager & North Balanced Pension Trust	54.6	60.4
Phillips, Hager & North LifeTime 2020 Fund	0.1	0.1
Phillips, Hager & North LifeTime 2025 Fund	0.3	0.3
Phillips, Hager & North LifeTime 2030 Fund	0.6	0.6
Phillips, Hager & North LifeTime 2035 Fund	1.0	0.9
Phillips, Hager & North LifeTime 2040 Fund	1.2	1.0
Phillips, Hager & North LifeTime 2045 Fund	2.6	2.5
Phillips, Hager & North LifeTime 2050 Fund	1.3	0.8
Phillips, Hager & North LifeTime 2055 Fund	–	–
RBC Total Return Growth Fund	–	–
Total	83.7	89.3



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUBE LOW VOLATILITY GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
36 487	AGL Energy Ltd.	\$ 674	\$ 723	
78 956	BHP Group Ltd.	2 398	2 605	
26 138	Rio Tinto Limited	2 003	1 975	
		5 075	5 303	0.4
Belgium				
12 164	Ageas	773	748	
335 824	Colruyt S.A.	23 662	32 698	
53 101	Proximus	2 191	1 962	
		26 626	35 408	2.9
Canada				
82 200	Agnico Eagle Mines Ltd.	4 255	4 528	
216 600	Bank of Montreal	22 210	19 318	
17 700	Bank of Nova Scotia	1 276	1 203	
491 475	BCE Inc.	28 215	26 504	
2 800	Canadian Imperial Bank of Commerce	309	285	
2 700	Constellation Software Inc.	2 407	2 359	
136 700	Magna International Inc., Class A	9 650	8 471	
370 300	Royal Bank of Canada*	36 431	34 601	
		104 753	97 269	8.0
Denmark				
225 574	Novo Nordisk A/S	14 298	14 121	
		14 298	14 121	1.2
France				
34 155	Electricite de France S.A.	444	738	
239 805	Engie	5 194	4 704	
1 704	Hermes International	1 153	1 292	
353 825	Orange S.A.	7 853	7 828	
6 169	Renault S.A.	740	525	
		15 384	15 087	1.3
Germany				
43 025	HeidelbergCement AG	3 955	3 613	
		3 955	3 613	0.3
Hong Kong				
322 900	CK Infrastructure Holdings Ltd.	2 679	3 336	
1 529 900	CLP Holdings Ltd.	17 149	23 603	
111 000	Henderson Land Development	731	754	
1 452 700	HK Electric Investments & HK Electric Investments Ltd., Stapled Security	1 666	1 999	
159 000	HKT Ltd.	306	313	
3 537 576	Hong Kong & China Gas Co. Ltd.	7 319	9 978	
58 600	Jardine Matheson Holdings Ltd.	4 887	5 570	
264 100	MTR Corp.	1 909	1 898	
470 500	Power Assets Holdings Ltd.	5 838	4 463	
273 500	Sun Hung Kai Properties Ltd.	4 960	5 329	
		47 444	57 243	4.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Ireland				
55 900	Kerry Group Plc.	\$ 5 980	\$ 7 474	
		5 980	7 474	0.6
Israel				
668 253	Bank Hapoalim Ltd.	4 477	5 770	
89 472	Bank Leumi Le-Israel	661	738	
35 365	Check Point Software Technologies Ltd.	4 636	4 956	
446 049	Mizrahi Tefahot Bank Ltd.	6 945	10 285	
60 527	Taro Pharmaceutical Industries Ltd.	8 154	7 004	
		24 873	28 753	2.4
Italy				
998 586	Enel S.p.A.	7 224	7 903	
476 592	Terna Rete Elettrica Nazionale S.p.A.	3 243	3 695	
		10 467	11 598	1.0
Japan				
16 800	ABC-Mart Inc.	1 203	1 270	
838 700	Astellas Pharma Inc.	15 003	14 629	
113 600	Bridgestone Corp.	6 090	5 950	
176 200	Canon Inc.	7 339	6 619	
412 100	Chubu Electric Power Co. Inc.	6 654	7 994	
3 300	Eisai Co. Ltd.	413	349	
23 100	Honda Motor Co. Ltd.	967	831	
288 800	Japan Post Holdings Co. Ltd.	4 275	4 552	
187 300	JFE Holdings Inc.	4 619	4 073	
201 150	Kamigumi Co. Ltd.	5 015	5 618	
183 900	KDDI Corporation	6 422	5 999	
53 200	Kyushu Electric Power Co. Inc.	811	865	
333 500	Marubeni Corp.	3 309	3 195	
65 600	Maruichi Steel Tube Ltd.	2 529	2 809	
189 800	Mazda Motor Corp.	2 740	2 664	
69 600	McDonald's Holdings Co Japan Ltd.	2 618	4 036	
252 100	Mitsubishi Tanabe Pharma Corp.	5 820	4 968	
2 089 700	Mizuho Financial Group Inc.	4 646	4 414	
163 000	Nippon Steel & Sumitomo Metal Corp.	4 769	3 823	
115 100	Nippon Telegraph & Telephone Corp.	6 619	6 411	
925 400	Nissan Motor Co. Ltd.	11 528	10 106	
154 900	Nomura Real Estate Holdings Inc.	3 938	3 878	
859 500	NTT DoCoMo Inc.	23 150	26 365	
51 200	Orix Corp.	1 072	1 021	
292 640	Osaka Gas Co. Ltd.	7 358	7 288	
101 600	Sankyo Co. Ltd.	4 204	5 275	
95 100	Sekisui House Ltd.	1 983	1 907	
5 500	Sompo Japan Nipponkoa Holdings Inc.	273	255	
18 000	Sony Corp.	1 224	1 185	
14 600	Sumitomo Mitsui Financial Group Inc.	698	657	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Japan (cont.)				
97 400	Tosoh Corp.	\$ 1 734	\$ 1 725	
22 500	Toyo Suisan Kaisha Ltd.	1 086	1 070	
91 600	Toyota Motor Corp.	6 851	7 239	
34 000	Yamaguchi Financial Group Inc.	518	444	
		157 478	159 484	13.2
Netherlands				
127 923	AerCap Holdings N.V.	8 077	6 916	
13 123	Coca-Cola European Partners Plc.	730	821	
15 776	Heineken N.V.	1 984	1 904	
37 379	NN Group N.V.	2 095	2 029	
		12 886	11 670	1.0
Singapore				
1 310 000	Singapore Press Holdings Ltd.	4 911	3 082	
2 480 100	Singapore Telecommunications Ltd.	8 513	7 287	
		13 424	10 369	0.9
Spain				
52 203	International Consolidated Airlines Group S.A.	536	565	
		536	565	—
Sweden				
31 727	Swedish Match AB	1 627	1 701	
		1 627	1 701	0.1
Switzerland				
51 734	Kuehne + Nagel International AG	9 534	9 092	
28 294	Pargesa Holding S.A.	2 585	2 786	
100 183	Roche Holdings AG Genussscheine	30 922	33 954	
10 062	Swiss Life Holding	4 749	5 302	
15 200	Swisscom AG	8 807	9 919	
3 023	Zurich Insurance Group AG	1 258	1 230	
		57 855	62 283	5.2
United Kingdom				
56 856	Anglo American Plc.	1 736	1 736	
60 274	Berkeley Group Holdings Plc.	4 144	3 650	
25 938	Mondi Plc.	873	738	
40 946	National Grid Plc.	705	547	
91 529	Persimmon Plc.	3 751	3 077	
63 434	SSE Plc.	1 702	1 196	
597 720	Vodafone Group Plc.	2 213	1 587	
		15 124	12 531	1.0
United States				
72 020	Accenture Plc., Class A	15 097	13 864	
38 773	Aflac Inc.	2 259	2 412	
42 457	Air Products & Chemicals Inc.	8 131	9 279	
20 674	Ally Financial Inc.	706	640	
46 008	Ameren Corporation	3 227	4 096	
70 705	Amgen Inc.	17 958	18 801	
1 942	Apartment Investment & Management Co.	117	116	
59 382	Archer Daniels Midland Co.	3 121	3 321	
54 281	AT&T Inc.	2 210	2 115	
14 848	Boeing Co.	6 317	6 537	
99 772	Citigroup Inc.	9 184	7 089	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
197 065	Colgate-Palmolive Company	\$ 17 245	\$ 16 013	
309 526	Consolidated Edison Inc.	30 323	32 301	
6 865	Constellation Brands Inc.	1 914	1 507	
18 358	Costco Wholesale Corp.	5 495	5 106	
31 953	DTE Energy Company	3 942	4 812	
291 435	Duke Energy Corp.	30 074	34 336	
54 496	Eli Lilly & Co.	5 979	8 609	
66 134	Estée Lauder Companies Inc., Class A	11 852	11 746	
52 472	Eversource Energy	3 853	4 659	
533 625	Exelon Corp.	30 131	32 856	
59 815	F5 Networks Inc.	10 251	13 231	
48 384	Fortinet Inc.	4 158	4 652	
175 799	Garmin Ltd.	14 940	15 197	
45 333	Home Depot Inc.	11 582	10 639	
25 715	Honeywell International Inc.	4 868	4 638	
30 007	IDEXX Laboratories Inc.	7 777	7 620	
62 333	Intuit Inc.	12 343	16 751	
7 329	Intuitive Surgical Inc.	3 071	4 794	
110 077	Johnson & Johnson	16 098	19 396	
16 968	JPMorgan Chase & Co.	2 474	2 264	
54 031	Kimberly-Clark Corp.	7 401	8 408	
336 672	Loews Corp.	20 258	20 915	
34 531	LyondellBasell Industries N.V.	5 022	3 921	
66 597	Mastercard Inc.	14 763	17 152	
40 319	McDonald's Corp.	8 502	9 774	
37 571	Motorola Solutions Inc.	5 326	5 901	
23 378	NextEra Energy Inc.	4 778	5 548	
10 843	Nike Inc.	1 113	1 097	
76 833	Pentair Plc.	4 298	3 963	
25 656	PepsiCo Inc.	3 806	3 870	
345 260	Pfizer Inc.	16 604	20 574	
73 444	Philip Morris International Inc.	7 898	6 694	
81 349	Phillips 66 Company	9 540	9 568	
31 109	Pinnacle West Capital Corp.	3 324	3 618	
6 633	Public Storage Inc. Real Estate Investment Trust	1 885	1 833	
252 418	Rollins Inc.	13 194	12 433	
12 374	Ross Stores Inc.	1 500	1 405	
55 391	Simon Property Group Inc.	13 661	12 705	
41 063	Sirius XM Holdings Inc.	292	320	
27 227	SL Green Realty Corp. Real Estate Investment Trust	3 035	2 940	
92 563	Southern Co.	5 281	5 550	
117 871	Starbucks Corp.	8 467	10 368	
26 725	Stryker Corp.	5 748	5 719	
135 218	Sysco Corp.	10 754	11 570	
76 979	Texas Instruments Inc.	8 695	9 931	
477 730	The Coca-Cola Co.	26 627	30 882	
149 486	The Procter & Gamble Co.	17 375	18 765	
215 563	TJX Companies Inc.	11 510	13 166	
3 176	U.S. Bancorp	225	198	
28 435	UGI Corp.	2 008	2 071	
24 886	UnitedHealth Group Incorporated	6 167	8 466	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
73 165	Valero Energy Corp.	\$ 6 900	\$ 7 490	
43 619	Varian Medical Systems Inc.	5 869	6 747	
108 391	Verizon Communications Inc.	7 840	8 319	
24 086	Vertex Pharmaceuticals Inc.	5 641	5 449	
59 679	Walmart Inc.	6 713	7 589	
66 301	WEC Energy Group Inc.	5 550	6 268	
298 739	Xcel Energy Inc.	16 445	20 094	
151 342	Yum! Brands, Inc.	16 748	18 996	
		617 460	669 674	55.4
TOTAL GLOBAL EQUITIES		1 135 245	1 204 146	99.6
SHORT-TERM INVESTMENTS†		6 029	6 029	0.5
TOTAL INVESTMENTS		1 141 274	1 210 175	100.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	4	—
TOTAL PORTFOLIO		<u>\$1 141 274</u>	1 210 179	100.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(1 629)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$1 208 550</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 2 564 Sold CAD 3 496 @ 0.7332	02-Jan-2019	\$ 4
TOTAL FOREIGN EXCHANGE		<u>\$ 4</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 210 175	\$ 1 016 917
Cash	6	194
Due from investment dealers	—	3 410
Subscriptions receivable	1 617	1 211
Unrealized gain on foreign exchange contracts	4	1
Dividends receivable, interest accrued and other assets	1 333	1 351
TOTAL ASSETS	1 213 135	1 023 084
LIABILITIES		
Due to investment dealers	3 500	6 901
Redemptions payable	472	278
Unrealized loss on foreign exchange contracts	—	4
Distributions payable	11	8
Accounts payable and accrued expenses	602	565
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 585	7 756
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 208 550	\$ 1 015 328
Investments at cost	\$ 1 141 274	\$ 949 775
NAV		
SERIES A	\$ 179 811	\$ 181 355
ADVISOR SERIES	\$ 45 623	\$ 38 985
SERIES T5	\$ 1 535	\$ 1 472
SERIES D	\$ 76 491	\$ 73 515
SERIES F	\$ 125 901	\$ 88 370
SERIES FT5	\$ 1 314	\$ 826
SERIES O	\$ 777 875	\$ 630 805
NAV PER UNIT		
SERIES A	\$ 18.38	\$ 18.01
ADVISOR SERIES	\$ 18.36	\$ 17.99
SERIES T5	\$ 17.27	\$ 17.38
SERIES D	\$ 18.58	\$ 18.21
SERIES F	\$ 18.53	\$ 18.18
SERIES FT5	\$ 17.74	\$ 17.65
SERIES O	\$ 18.60	\$ 18.24

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 31 976	\$ 25 742
Interest for distribution purposes	29	12
Income from investment trusts	67	—
Derivative income	92	(158)
Net realized gain (loss) on investments	39 994	52 866
Change in unrealized gain (loss) on investments	1 766	19 094
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	73 924	97 556
Other income (loss)	25	—
Securities lending revenue (see note 7 in the generic notes)	200	179
Net gain (loss) on foreign cash balances	(180)	(72)
TOTAL OTHER INCOME (LOSS)	45	107
TOTAL INCOME (LOSS)	73 969	97 663
EXPENSES (see notes – Fund Specific Information)		
Management fees	5 511	4 750
Administration fees	752	618
Independent Review Committee costs	2	3
GST/HST	594	513
Transaction costs	404	532
Withholding tax	3 989	3 107
TOTAL EXPENSES	11 252	9 523
INCREASE (DECREASE) IN NAV	\$ 62 717	\$ 88 140
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 7 901	\$ 13 845
ADVISOR SERIES	\$ 1 755	\$ 2 998
SERIES T5	\$ 64	\$ 108
SERIES D	\$ 3 861	\$ 6 041
SERIES F	\$ 5 330	\$ 5 906
SERIES FT5	\$ 40	\$ 29
SERIES O	\$ 43 766	\$ 59 213
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.81	\$ 1.51
ADVISOR SERIES	\$ 0.77	\$ 1.53
SERIES T5	\$ 0.74	\$ 1.54
SERIES D	\$ 0.96	\$ 1.69
SERIES F	\$ 0.94	\$ 1.57
SERIES FT5	\$ 0.65	\$ 1.29
SERIES O	\$ 1.19	\$ 1.97

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 62 717	\$ 88 140
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(39 637)	(52 514)
Change in unrealized loss (gain) on investments	(1 766)	(19 094)
(Increase) decrease in accrued receivables	18	256
Increase (decrease) in accrued payables	37	138
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 129 910)	(1 269 217)
Proceeds from sale and maturity of investments	978 057	1 097 869
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(130 484)	(154 422)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	398 006	406 542
Cash paid on redemption of redeemable units	(258 122)	(239 883)
Distributions paid to holders of redeemable units	(9 588)	(12 233)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 130 296	\$ 154 426
Net increase (decrease) in cash for the period	(188)	4
Cash (bank overdraft), beginning of period	194	190
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 6	\$ 194
Interest received (paid)	\$ 29	\$ 12
Dividends received, net of withholding taxes	\$ 28 030	\$ 22 891

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series T5		Series D	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 181 355	\$ 144 389	\$ 38 985	\$ 32 556	\$ 1 472	\$ 640	\$ 73 515	\$ 56 186
INCREASE (DECREASE) IN NAV	7 901	13 845	1 755	2 998	64	108	3 861	6 041
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	46 877	73 540	14 623	12 660	183	928	16 107	23 459
Reinvestments of distributions to holders of redeemable units	3 930	6 621	980	1 407	8	10	2 249	3 203
Redemption of redeemable units	(56 223)	(50 261)	(9 715)	(9 202)	(117)	(154)	(16 851)	(12 009)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 416)	29 900	5 888	4 865	74	784	1 505	14 653
Distributions from net income	(364)	(645)	(84)	(138)	(5)	(6)	(803)	(861)
Distributions from net gains	(3 665)	(6 134)	(921)	(1 296)	(31)	(50)	(1 587)	(2 504)
Distributions from capital	—	—	—	—	(39)	(4)	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 029)	(6 779)	(1 005)	(1 434)	(75)	(60)	(2 390)	(3 365)
NET INCREASE (DECREASE) IN NAV	(1 544)	36 966	6 638	6 429	63	832	2 976	17 329
NAV AT END OF PERIOD	\$ 179 811	\$ 181 355	\$ 45 623	\$ 38 985	\$ 1 535	\$ 1 472	\$ 76 491	\$ 73 515

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series FT5		Series O		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 88 370	\$ 59 170	\$ 826	\$ 241	\$ 630 805	\$ 477 605	\$ 1 015 328	\$ 770 787
INCREASE (DECREASE) IN NAV	5 330	5 906	40	29	43 766	59 213	62 717	88 140
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	58 921	61 161	1 760	1 145	285 894	256 059	424 365	428 952
Reinvestments of distributions to holders of redeemable units	3 126	3 023	4	14	24 708	23 493	35 005	37 771
Redemption of redeemable units	(25 556)	(36 638)	(1 262)	(569)	(174 545)	(151 480)	(284 269)	(260 313)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	36 491	27 546	502	590	136 057	128 072	175 101	206 410
Distributions from net income	(1 683)	(1 238)	(16)	(6)	(17 179)	(14 154)	(20 134)	(17 048)
Distributions from net gains	(2 607)	(3 014)	(27)	(28)	(15 574)	(19 931)	(24 412)	(32 957)
Distributions from capital	—	—	(11)	—	—	—	(50)	(4)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(4 290)	(4 252)	(54)	(34)	(32 753)	(34 085)	(44 596)	(50 009)
NET INCREASE (DECREASE) IN NAV	37 531	29 200	488	585	147 070	153 200	193 222	244 541
NAV AT END OF PERIOD	\$ 125 901	\$ 88 370	\$ 1 314	\$ 826	\$ 777 875	\$ 630 805	\$ 1 208 550	\$ 1 015 328

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term capital growth by investing primarily in equity securities of global companies using a quantitative approach.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	55.4	53.9
Japan	13.2	13.7
Canada	8.0	8.2
Switzerland	5.2	5.1
Hong Kong	4.7	3.8
Belgium	2.9	2.8
Israel	2.4	2.6
United Kingdom	1.0	1.6
Singapore	0.9	1.3
Other Countries	5.9	6.8
Cash/Other	0.4	0.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	57.6	54.5
Japanese yen	13.2	13.7
Euro	6.4	8.3
Swiss franc	5.2	5.1
Hong Kong dollar	4.3	3.8
Israeli new shekel	1.4	1.8
Danish krone	1.2	–
Pound sterling	1.0	1.6
Singapore dollar	0.9	1.3
Australian dollar	–	0.6
Other currencies	0.5	0.6
Total	91.7	91.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.6% (December 31, 2017 – 4.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.7	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	786 640	417 506	–	1 204 146
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	6 029	–	6 029
Derivatives – assets	–	4	–	4
Derivatives – liabilities	–	–	–	–
Total financial instruments	786 640	423 539	–	1 210 179
% of total portfolio	65.0	35.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	639 157	374 345	–	1 013 502
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 415	–	3 415
Derivatives – assets	–	1	–	1
Derivatives – liabilities	–	(4)	–	(4)
Total financial instruments	639 157	377 757	–	1 016 914
% of total portfolio	62.9	37.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series T5	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series FT5	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series T5	69	66
Series FT5	69	66
Series O	111	–
Value of all units	4	2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	10 070	8 435
Issued number of units	2 544	4 053
Reinvested number of units	216	361
Redeemed number of units	(3 045)	(2 779)
Ending number of units	9 785	10 070
Advisor Series		
Opening units	2 167	1 904
Issued number of units	790	698
Reinvested number of units	54	77
Redeemed number of units	(525)	(512)
Ending number of units	2 486	2 167

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series T5		
Opening units	85	38
Issued number of units	11	55
Reinvested number of units	–	1
Redeemed number of units	(7)	(9)
Ending number of units	89	85
Series D		
Opening units	4 036	3 245
Issued number of units	862	1 275
Reinvested number of units	122	173
Redeemed number of units	(903)	(657)
Ending number of units	4 117	4 036
Series F		
Opening units	4 861	3 422
Issued number of units	3 126	3 311
Reinvested number of units	171	163
Redeemed number of units	(1 365)	(2 035)
Ending number of units	6 793	4 861
Series FT5		
Opening units	47	14
Issued number of units	99	64
Reinvested number of units	–	1
Redeemed number of units	(72)	(32)
Ending number of units	74	47
Series O		
Opening units	34 576	27 519
Issued number of units	15 122	13 962
Reinvested number of units	1 344	1 264
Redeemed number of units	(9 218)	(8 169)
Ending number of units	41 824	34 576

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	404	100	532	100
Related-party brokerage commissions*	5	1	5	1
Commission arrangements [†]	2	–	–	–

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	72 035	129 912
Fair value of collateral received	73 476	132 510

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	279	100	249	100
RBC IS (paid)	(70)	(25)	(66)	(27)
Tax withheld	(9)	(3)	(4)	(2)
Fund revenue	200	72	179	71

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
Phillips, Hager & North LifeTime 2015 Fund	0.1	0.2
Phillips, Hager & North LifeTime 2020 Fund	0.5	0.5
Phillips, Hager & North LifeTime 2025 Fund	0.4	0.4
Phillips, Hager & North LifeTime 2030 Fund	0.3	0.2
Phillips, Hager & North LifeTime 2035 Fund	0.1	0.1
RBC QUBE Low Volatility Global Equity Class	4.7	5.2
RBC QUBE Low Volatility Global Equity Currency Neutral Fund	0.5	–
RBC Retirement 2020 Portfolio	0.2	0.1
RBC Retirement 2025 Portfolio	0.1	0.1
RBC Retirement 2030 Portfolio	0.2	0.1
RBC Retirement 2035 Portfolio	0.2	0.1
RBC Retirement 2040 Portfolio	0.1	0.1
RBC Retirement 2045 Portfolio	0.1	0.1
RBC Retirement 2050 Portfolio	0.1	–
RBC Retirement Income Solution	0.1	0.1
RBC Total Return Growth Fund	–	–
Total	7.7	7.3

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	4	–
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	4	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	4	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1	(4)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	1	(4)
Related amounts not set-off	(1)	1
Collateral (received) pledged	–	–
Net amount	–	(3)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
**RBC QUBE LOW VOLATILITY GLOBAL EQUITY
CURRENCY NEUTRAL FUND**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
347 946	RBC QUBE Low Volatility Global Equity Fund*	\$ 6 619	\$ 6 471	
TOTAL UNDERLYING FUNDS		6 619	6 471	103.6
SHORT-TERM INVESTMENTS†		266	266	4.3
TOTAL INVESTMENTS		6 885	6 737	107.9
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	14	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		–	(247)	(4.0)
TOTAL PORTFOLIO		<u>\$ 6 885</u>	6 504	104.1
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(256)	(4.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 6 248</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 9 500 Sold CAD 111 @ 85.6100	08-Jan-2019	\$ 7
Bought CAD 7 Sold AUD 8 @ 0.9424	10-Jan-2019	–
Bought USD 15 Sold CAD 20 @ 0.7629	10-Jan-2019	1
Bought CAD 1 Sold SEK 2 @ 0.1482	11-Jan-2019	–
Bought CAD 4 Sold SGD 4 @ 0.9333	14-Jan-2019	–
Bought HKD 81 Sold CAD 14 @ 5.8570	14-Jan-2019	–
Bought USD 28 Sold CAD 37 @ 0.7472	14-Jan-2019	1
Bought AUD 1 Sold CAD 1 @ 1.0388	15-Jan-2019	–
Bought CAD 15 Sold ILS 42 @ 0.3552	17-Jan-2019	–
Bought CAD 5 Sold ILS 13 @ 0.3594	17-Jan-2019	–
Bought CAD 21 Sold CHF 15 @ 1.3888	18-Jan-2019	–
Bought CAD 50 Sold JPY 4 000 @ 0.0124	22-Jan-2019	–
Bought CAD 6 Sold EUR 4 @ 1.5078	24-Jan-2019	–
Bought USD 15 Sold CAD 20 @ 0.7599	24-Jan-2019	1
Bought USD 20 Sold CAD 27 @ 0.7472	24-Jan-2019	1
Bought CAD 11 Sold GBP 7 @ 1.7124	31-Jan-2019	–
Bought CAD 31 Sold EUR 20 @ 1.5653	31-Jan-2019	–
Bought CAD 8 Sold GBP 5 @ 1.6834	07-Feb-2019	–
Bought CAD 9 Sold HKD 55 @ 0.1685	14-Feb-2019	–
Bought CAD 26 Sold HKD 150 @ 0.1744	14-Feb-2019	–
Bought USD 33 Sold CAD 44 @ 0.7487	21-Feb-2019	1
Bought CAD 3 Sold SGD 3 @ 0.9659	05-Mar-2019	–
Bought CAD 1 Sold DKK 4 @ 0.2046	05-Mar-2019	–
Bought CAD 255 Sold USD 187 @ 1.3630	05-Mar-2019	–

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 20 Sold CAD 27 @ 0.7475	05-Mar-2019	\$ 1
Bought USD 90 Sold CAD 121 @ 0.7440	05-Mar-2019	1
Bought CAD 2 Sold AUD 2 @ 0.9709	11-Mar-2019	–
Bought CAD 3 Sold GBP 2 @ 1.6846	19-Mar-2019	–
Bought CAD 20 Sold HKD 120 @ 0.1708	20-Mar-2019	–
Bought USD 30 Sold CAD 40 @ 0.7429	20-Mar-2019	–
		<u>\$ 14</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 140 Sold JPY 12 104 @ 0.0115	08-Jan-2019	\$ (11)
Bought CAD 27 Sold JPY 2 350 @ 0.0117	08-Jan-2019	(2)
Bought CAD 26 Sold JPY 2 235 @ 0.0116	10-Jan-2019	(2)
Bought CAD 539 Sold USD 414 @ 1.3035	10-Jan-2019	(25)
Bought CAD 26 Sold USD 20 @ 1.3071	10-Jan-2019	(1)
Bought CAD 122 Sold USD 90 @ 1.3581	10-Jan-2019	(1)
Bought CAD 30 Sold HKD 182 @ 0.1634	14-Jan-2019	(2)
Bought CAD 322 Sold USD 252 @ 1.2771	14-Jan-2019	(22)
Bought CAD 6 Sold SGD 7 @ 0.8759	14-Jan-2019	(1)
Bought CAD 51 Sold ILS 144 @ 0.3552	14-Jan-2019	(1)
Bought CAD 13 Sold SEK 87 @ 0.1436	15-Jan-2019	(1)
Bought CAD 30 Sold AUD 32 @ 0.9427	15-Jan-2019	(1)
Bought CAD 39 Sold EUR 26 @ 1.4907	16-Jan-2019	(2)
Bought CAD 39 Sold USD 30 @ 1.2964	16-Jan-2019	(2)
Bought CAD 116 Sold USD 90 @ 1.2919	16-Jan-2019	(7)
Bought CAD 39 Sold USD 30 @ 1.3139	16-Jan-2019	(2)
Bought CAD 39 Sold USD 30 @ 1.3085	16-Jan-2019	(2)
Bought CAD 40 Sold USD 30 @ 1.3205	16-Jan-2019	(1)
Bought CAD 172 Sold USD 130 @ 1.3250	16-Jan-2019	(5)
Bought CAD 86 Sold USD 65 @ 1.3287	16-Jan-2019	(2)
Bought CAD 33 Sold SGD 35 @ 0.9402	17-Jan-2019	(2)
Bought CAD 36 Sold EUR 24 @ 1.5094	17-Jan-2019	(1)
Bought CAD 10 Sold CHF 8 @ 1.3174	17-Jan-2019	(1)
Bought CAD 20 Sold CHF 15 @ 1.3157	18-Jan-2019	(1)
Bought CAD 24 Sold CHF 18 @ 1.3408	18-Jan-2019	(1)
Bought CAD 27 Sold EUR 18 @ 1.5135	18-Jan-2019	(1)
Bought CAD 27 Sold JPY 2 300 @ 0.0115	22-Jan-2019	(2)
Bought CAD 38 Sold JPY 3 300 @ 0.0115	22-Jan-2019	(3)
Bought CAD 23 Sold JPY 2 000 @ 0.0116	22-Jan-2019	(2)
Bought CAD 75 Sold HKD 442 @ 0.1700	22-Jan-2019	(2)
Bought CAD 23 Sold CHF 17 @ 1.3253	23-Jan-2019	(1)
Bought CAD 572 Sold USD 441 @ 1.2978	24-Jan-2019	(29)
Bought CAD 20 Sold DKK 100 @ 0.2024	24-Jan-2019	(1)
Bought CAD 73 Sold USD 55 @ 1.3262	24-Jan-2019	(2)

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 33 Sold CHF 25 @ 1.3136	25-Jan-2019	\$ (2)
Bought CAD 36 Sold DKK 180 @ 0.2013	28-Jan-2019	(2)
Bought CAD 89 Sold USD 68 @ 1.3110	28-Jan-2019	(4)
Bought CAD 11 Sold CHF 8 @ 1.3184	29-Jan-2019	(1)
Bought CAD 20 Sold CHF 15 @ 1.3324	29-Jan-2019	(1)
Bought CAD 20 Sold EUR 13 @ 1.5174	31-Jan-2019	(1)
Bought CAD 12 Sold HKD 70 @ 0.1670	04-Feb-2019	(1)
Bought CAD 65 Sold CHF 50 @ 1.3113	04-Feb-2019	(4)
Bought CAD 20 Sold CHF 15 @ 1.3187	04-Feb-2019	(1)
Bought CAD 59 Sold EUR 39 @ 1.5051	05-Feb-2019	(2)
Bought CAD 32 Sold EUR 21 @ 1.5022	06-Feb-2019	(1)
Bought CAD 18 Sold HKD 107 @ 0.1684	08-Feb-2019	(1)
Bought CAD 47 Sold HKD 280 @ 0.1684	08-Feb-2019	(2)
Bought CAD 80 Sold JPY 6 800 @ 0.0117	08-Feb-2019	(5)
Bought CAD 111 Sold USD 84 @ 1.3183	11-Feb-2019	(4)
Bought CAD 146 Sold JPY 12 501 @ 0.0117	12-Feb-2019	(10)
Bought CAD 237 Sold USD 180 @ 1.3160	13-Feb-2019	(9)
Bought CAD 18 Sold CHF 13 @ 1.3497	13-Feb-2019	(1)
Bought CAD 46 Sold JPY 3 956 @ 0.0117	20-Feb-2019	(3)
Bought CAD 14 Sold EUR 9 @ 1.5142	20-Feb-2019	(1)
Bought CAD 51 Sold JPY 4 375 @ 0.0117	20-Feb-2019	(3)
Bought CAD 23 Sold EUR 15 @ 1.5236	20-Feb-2019	(1)
Bought CAD 230 Sold USD 173 @ 1.3293	28-Feb-2019	(6)
Bought CAD 184 Sold JPY 15 507 @ 0.0119	28-Feb-2019	(9)
Bought CAD 38 Sold GBP 22 @ 1.6948	01-Mar-2019	(1)
Bought CAD 204 Sold USD 154 @ 1.3242	05-Mar-2019	(6)
Bought CAD 18 Sold EUR 12 @ 1.5074	07-Mar-2019	(1)
Bought CAD 42 Sold HKD 248 @ 0.1710	07-Mar-2019	(1)
Bought CAD 43 Sold CHF 32 @ 1.3354	08-Mar-2019	(2)
Bought CAD 80 Sold JPY 6 770 @ 0.0118	11-Mar-2019	(5)
Bought CAD 82 Sold USD 62 @ 1.3276	11-Mar-2019	(2)
Bought CAD 48 Sold EUR 31 @ 1.5301	14-Mar-2019	(1)
Bought CAD 411 Sold USD 308 @ 1.3318	20-Mar-2019	(9)
Bought CAD 60 Sold USD 45 @ 1.3323	20-Mar-2019	(1)
Bought CAD 38 Sold EUR 25 @ 1.5260	21-Mar-2019	(1)
		<u>\$ (247)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (233)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



**RBC QUBE LOW VOLATILITY GLOBAL EQUITY
CURRENCY NEUTRAL FUND**

Statement of Financial Position

(in \$000s except per unit amounts)

	December 31 2018
(see note 2 in the generic notes)	
ASSETS	
Investments at fair value	\$ 6 737
Cash	1
Subscriptions receivable	1
Unrealized gain on foreign exchange contracts	14
TOTAL ASSETS	6 753
LIABILITIES	
Due to investment dealers	245
Redemptions payable	7
Unrealized loss on foreign exchange contracts	247
Accounts payable and accrued expenses	6
TOTAL LIABILITIES EXCLUDING NET ASSETS	
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	505
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 6 248
Investments at cost	\$ 6 885
NAV	
SERIES A	\$ 1 852
ADVISOR SERIES	\$ 60
SERIES D	\$ 579
SERIES F	\$ 1 944
SERIES O	\$ 1 813
NAV PER UNIT	
SERIES A	\$ 9.35
ADVISOR SERIES	\$ 9.29
SERIES D	\$ 9.34
SERIES F	\$ 9.34
SERIES O	\$ 9.40

Statement of Comprehensive Income

(in \$000s except per unit amounts)

For the period ended December 31 (see note 2 in the generic notes)	2018
INCOME (see note 3 in the generic notes)	
Income from investment trusts	\$ 250
Derivative income	(10)
Net realized gain (loss) on investments	14
Change in unrealized gain (loss) on investments	(381)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(127)
TOTAL INCOME (LOSS)	(127)
EXPENSES (see notes – Fund Specific Information)	
Management fees	33
Administration fees	4
Independent Review Committee costs	2
GST/HST	4
Expenses reimbursed by manager	(2)
TOTAL EXPENSES	41
INCREASE (DECREASE) IN NAV	\$ (168)
INCREASE (DECREASE) IN NAV	
SERIES A	\$ (68)
ADVISOR SERIES	\$ (4)
SERIES D	\$ (4)
SERIES F	\$ (44)
SERIES O	\$ (48)
INCREASE (DECREASE) IN NAV PER UNIT	
SERIES A	\$ (0.48)
ADVISOR SERIES	\$ (1.91)
SERIES D	\$ (0.09)
SERIES F	\$ (0.56)
SERIES O	\$ (0.98)



Statement of Cash Flow *(in \$000s)*

For the period ended December 31
(see note 2 in the generic notes)

2018

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (decrease) in NAV \$ (168)

ADJUSTMENTS TO RECONCILE NET CASH

PROVIDED BY (USED IN) OPERATIONS

Interest for distribution purposes —

Non-cash distributions from underlying funds (250)

Net realized loss (gain) on investments (14)

Change in unrealized loss (gain) on investments 381

(Increase) decrease in accrued receivables —

Increase (decrease) in accrued payables 6

(Increase) decrease in margin accounts —

Cost of investments purchased (16 227)

Proceeds from sale and maturity of investments 9 851

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES (6 421)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of redeemable units 7 969

Cash paid on redemption of redeemable units (1 494)

Distributions paid to holders of redeemable units (53)

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES \$ 6 422

Net increase (decrease) in cash for the period 1

Cash (bank overdraft), beginning of period —

CASH (BANK OVERDRAFT), END OF PERIOD \$ 1

Interest received (paid) \$ —

Dividends received, net of withholding taxes \$ —



Statement of Changes in NAV (in \$000s)

For the period ended December 31 (see note 2 in the generic notes)	Series A 2018	Advisor Series 2018	Series D 2018	Series F 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(68)	(4)	(4)	(44)
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	3 190	97	678	2 255
Reinvestments of distributions to holders of redeemable units	50	2	21	46
Redemption of redeemable units	(1 270)	(33)	(95)	(236)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 970	66	604	2 065
Distributions from net income	(13)	—	(9)	(36)
Distributions from net gains	(37)	(2)	(12)	(41)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(50)	(2)	(21)	(77)
NET INCREASE (DECREASE) IN NAV	1 852	60	579	1 944
NAV AT END OF PERIOD	\$ 1 852	\$ 60	\$ 579	\$ 1 944

For the period ended December 31 (see note 2 in the generic notes)	Series O 2018	Total 2018
NAV AT BEGINNING OF PERIOD	\$ —	\$ —
INCREASE (DECREASE) IN NAV	(48)	(168)
Early redemption fees	—	—
Proceeds from redeemable units issued	1 883	8 103
Reinvestments of distributions to holders of redeemable units	38	157
Redemption of redeemable units	—	(1 634)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	1 921	6 626
Distributions from net income	(36)	(94)
Distributions from net gains	(24)	(116)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(60)	(210)
NET INCREASE (DECREASE) IN NAV	1 813	6 248
NAV AT END OF PERIOD	\$ 1 813	\$ 6 248

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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 was started January 17, 2018.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests primarily in the RBC QUBE Low Volatility Global Equity Fund. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018
United States	55.4
Japan	13.2
Canada	8.0
Switzerland	5.2
Hong Kong	4.7
Belgium	2.9
Israel	2.4
United Kingdom	1.0
Singapore	0.9
Other Countries	5.9
Cash/Other	0.4
Total	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using an 11-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018
MSCI World Minimum Volatility Total	
Return Net Index (Local)	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	6 471	–	–	6 471
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	266	–	266
Derivatives – assets	–	14	–	14
Derivatives – liabilities	–	(247)	–	(247)
Total financial instruments	6 471	33	–	6 504
% of total portfolio	99.5	0.5	–	100.0

For the period ended December 31, 2018, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018
Units held	
Series A	103
Advisor Series	104
Series D	104
Series F	104
Series O	15 235
Value of all units	147

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018	
	NAV	Ownership
RBC QUBE Low Volatility		
Global Equity Fund	103.6	0.5

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the period ended December 31
(see note 2 in the generic notes) 2018

Series A	
Opening units	—
Issued number of units	321
Reinvested number of units	5
Redeemed number of units	(128)
Ending number of units	198
Advisor Series	
Opening units	—
Issued number of units	9
Reinvested number of units	—
Redeemed number of units	(3)
Ending number of units	6

For the period ended December 31
(see note 2 in the generic notes)

Series D	
Opening units	—
Issued number of units	69
Reinvested number of units	2
Redeemed number of units	(9)
Ending number of units	62
Series F	
Opening units	—
Issued number of units	227
Reinvested number of units	5
Redeemed number of units	(24)
Ending number of units	208
Series O	
Opening units	—
Issued number of units	189
Reinvested number of units	4
Redeemed number of units	—
Ending number of units	193



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC VISION GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Germany				
370 818	Deutsche Post AG	\$ 18 206	\$ 13 826	
		18 206	13 826	4.0
Hong Kong				
1 075 312	AIA Group Ltd.	10 382	12 196	
		10 382	12 196	3.5
India				
54 400	HDFC Bank Ltd. ADR	7 340	7 690	
		7 340	7 690	2.2
Japan				
202 123	MISUMI Group Inc.	6 982	5 813	
77 921	Nidec Corp.	11 506	12 036	
32 900	Oriental Land Co. Ltd.	4 123	4 517	
		22 611	22 366	6.4
Netherlands				
236 659	Unilever N.V.	16 909	17 502	
		16 909	17 502	5.0
South Africa				
28 655	Naspers Ltd.	7 796	7 832	
		7 796	7 832	2.3
Switzerland				
57 366	Roche Holdings AG Genusscheine	18 274	19 443	
		18 274	19 443	5.6
Taiwan				
182 264	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	8 646	9 180	
		8 646	9 180	2.6
United Kingdom				
100 921	Croda International Plc.	7 664	8 228	
159 105	InterContinental Hotels Group Plc.	11 328	11 750	
60 282	Rio Tinto Plc.	3 773	3 941	
356 181	St. James's Place Plc.	7 040	5 856	
		29 806	29 775	8.5
United States				
11 713	Alphabet Inc., Class A	14 886	16 724	
73 826	American Water Works Co. Inc.	8 485	9 148	
229 362	Blackstone Group LP	9 801	9 334	
128 037	Danaher Corp.	14 690	18 025	
50 142	Ecolab Inc.	8 559	10 087	
119 362	EOG Resources Inc.	14 524	14 211	
82 416	Estée Lauder Companies Inc., Class A	10 841	14 638	
138 245	First Republic Bank	17 462	16 409	
162 443	Fortive Corp.	14 012	15 005	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
68 168	Gartner Inc.	\$ 10 935	\$ 11 897	
48 777	Incyte Corporation Ltd.	5 208	4 234	
35 544	MarketAxess Holdings Inc.	8 745	10 254	
94 157	Microsoft Corp.	9 907	13 068	
32 199	SVB Financial Group	8 321	8 349	
262 174	TJX Companies Inc.	12 410	16 013	
53 481	UnitedHealth Group Incorporated	13 231	18 193	
		182 017	205 589	59.0
TOTAL GLOBAL EQUITIES		321 985	345 399	99.1
SHORT-TERM INVESTMENTS*		2 587	2 587	0.7
TOTAL INVESTMENTS		<u>\$ 324 572</u>	347 986	99.8
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			541	0.2
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$ 348 527</u>	100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 347 986	\$ 379 260
Cash	345	148
Subscriptions receivable	86	457
Dividends receivable, interest accrued and other assets	277	73
TOTAL ASSETS	348 694	379 938
LIABILITIES		
Due to investment dealers	—	146
Redemptions payable	41	17
Accounts payable and accrued expenses	126	115
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	167	278
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 348 527	\$ 379 660
Investments at cost	\$ 324 572	\$ 344 278
NAV		
SERIES A	\$ 31 282	\$ 29 012
ADVISOR SERIES	\$ 13 938	\$ 12 106
SERIES D	\$ 22 177	\$ 21 631
SERIES F	\$ 21 099	\$ 15 738
SERIES O	\$ 260 031	\$ 301 173
NAV PER UNIT		
SERIES A	\$ 12.77	\$ 13.31
ADVISOR SERIES	\$ 12.83	\$ 13.37
SERIES D	\$ 13.63	\$ 14.14
SERIES F	\$ 13.98	\$ 14.51
SERIES O	\$ 10.24	\$ 10.63

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 6 607	\$ 2 283
Interest for distribution purposes	56	19
Derivative income	(165)	232
Net realized gain (loss) on investments	21 992	7 399
Change in unrealized gain (loss) on investments	(11 568)	30 675
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	16 922	40 608
Other income (loss)	25	—
Securities lending revenue		
(see note 7 in the generic notes)	105	9
Net gain (loss) on foreign cash balances	227	(272)
TOTAL OTHER INCOME (LOSS)	357	(263)
TOTAL INCOME (LOSS)	17 279	40 345
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 163	778
Administration fees	193	111
Independent Review Committee costs	2	3
GST/HST	132	89
Transaction costs	211	282
Withholding tax	771	235
TOTAL EXPENSES	2 472	1 498
INCREASE (DECREASE) IN NAV	\$ 14 807	\$ 38 847
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 325	\$ 3 853
ADVISOR SERIES	\$ 133	\$ 1 462
SERIES D	\$ 505	\$ 2 426
SERIES F	\$ 135	\$ 1 794
SERIES O	\$ 13 709	\$ 29 312
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.14	\$ 2.00
ADVISOR SERIES	\$ 0.13	\$ 2.18
SERIES D	\$ 0.32	\$ 2.57
SERIES F	\$ 0.10	\$ 2.57
SERIES O	\$ 0.50	\$ 1.60



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 14 807	\$ 38 847
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(21 806)	(7 335)
Change in unrealized loss (gain) on investments	11 568	(30 675)
(Increase) decrease in accrued receivables	(204)	(33)
Increase (decrease) in accrued payables	11	57
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 167 389)	(771 806)
Proceeds from sale and maturity of investments	1 208 755	619 824
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	45 742	(151 121)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	68 316	171 679
Cash paid on redemption of redeemable units	(111 820)	(19 771)
Distributions paid to holders of redeemable units	(2 041)	(665)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (45 545)	\$ 151 243
Net increase (decrease) in cash for the period	197	122
Cash (bank overdraft), beginning of period	148	26
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 345	\$ 148
Interest received (paid)	\$ 56	\$ 19
Dividends received, net of withholding taxes	\$ 5 882	\$ 2 016

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 29 012	\$ 21 430	\$ 12 106	\$ 5 369	\$ 21 631	\$ 5 012	\$ 15 738	\$ 4 634
INCREASE (DECREASE) IN NAV	325	3 853	133	1 462	505	2 426	135	1 794
Early redemption fees	—	—	—	—	1	—	4	—
Proceeds from redeemable units issued	9 139	9 388	3 956	7 312	4 676	16 330	10 648	10 862
Reinvestments of distributions to holders of redeemable units	1 668	640	715	261	1 196	451	892	271
Redemption of redeemable units	(7 180)	(5 655)	(2 229)	(2 028)	(4 542)	(2 098)	(5 031)	(1 460)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 627	4 373	2 442	5 545	1 331	14 683	6 513	9 673
Distributions from net income	—	—	—	—	(100)	(12)	(150)	(18)
Distributions from net gains	(1 682)	(644)	(743)	(270)	(1 190)	(478)	(1 137)	(345)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 682)	(644)	(743)	(270)	(1 290)	(490)	(1 287)	(363)
NET INCREASE (DECREASE) IN NAV	2 270	7 582	1 832	6 737	546	16 619	5 361	11 104
NAV AT END OF PERIOD	\$ 31 282	\$ 29 012	\$ 13 938	\$ 12 106	\$ 22 177	\$ 21 631	\$ 21 099	\$ 15 738

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 301 173	\$ —	\$ 379 660	\$ 36 445
INCREASE (DECREASE) IN NAV	13 709	29 312	14 807	38 847
Early redemption fees	—	—	5	—
Proceeds from redeemable units issued	42 623	282 616	71 042	326 508
Reinvestments of distributions to holders of redeemable units	16 631	7 295	21 102	8 918
Redemption of redeemable units	(95 964)	(10 234)	(114 946)	(21 475)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(36 710)	279 677	(22 797)	313 951
Distributions from net income	(4 228)	(1 121)	(4 478)	(1 151)
Distributions from net gains	(13 913)	(6 695)	(18 665)	(8 432)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(18 141)	(7 816)	(23 143)	(9 583)
NET INCREASE (DECREASE) IN NAV	(41 142)	301 173	(31 133)	343 215
NAV AT END OF PERIOD	\$ 260 031	\$ 301 173	\$ 348 527	\$ 379 660

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide the potential for long-term capital growth to investors seeking exposure to “socially responsible investing.”

Series O units were started May 19, 2017.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	59.0	57.1
United Kingdom	8.5	8.0
Japan	6.4	6.2
Switzerland	5.6	4.1
Germany	4.0	4.2
Other Countries	15.6	18.4
Cash/Other	0.9	2.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	64.0	64.6
Euro	9.0	8.3
Pound sterling	8.5	8.0
Japanese yen	6.4	6.1
Swiss franc	5.6	4.0
Hong Kong dollar	3.5	3.2
South African rand	2.2	3.8
Total	99.2	98.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	222 459	122 940	–	345 399
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 587	–	2 587
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	222 459	125 527	–	347 986
% of total portfolio	63.9	36.1	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	245 061	127 014	–	372 075
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 185	–	7 185
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	245 061	134 199	–	379 260
% of total portfolio	64.6	35.4	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a [†]	0.02%

* Effective June 30, 2017, the administration fees for Series A units were reduced to 0.15% from 0.20%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	111	103
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	2 180	1 836
Issued number of units	647	754
Reinvested number of units	133	47
Redeemed number of units	(513)	(457)
Ending number of units	2 447	2 180
Advisor Series		
Opening units	906	458
Issued number of units	280	587
Reinvested number of units	57	19
Redeemed number of units	(158)	(158)
Ending number of units	1 085	906

Please see the generic notes at the back of the financial statements.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	1 529	406
Issued number of units	311	1 248
Reinvested number of units	89	32
Redeemed number of units	(303)	(157)
Ending number of units	1 626	1 529
Series F		
Opening units	1 084	367
Issued number of units	688	805
Reinvested number of units	65	19
Redeemed number of units	(329)	(107)
Ending number of units	1 508	1 084
Series O		
Opening units	28 334	—
Issued number of units	3 736	28 647
Reinvested number of units	1 658	678
Redeemed number of units	(8 340)	(991)
Ending number of units	25 388	28 334

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	211	100	282	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	114	54	148	52

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	5 173	30 304
Fair value of collateral received	5 276	30 910

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	141	100	13	100
RBC IS (paid)	(34)	(25)	(3)	(26)
Tax withheld	(2)	(1)	(1)	(7)
Fund revenue	105	74	9	67



December 31, 2018

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Vision Balanced Fund	22.9	18.6

Fund merger (000s)

At the close of business on June 30, 2017, the Phillips, Hager & North Community Values Global Equity Fund was merged into the RBC Vision Global Equity Fund. The acquisition method of accounting was adopted for the fund merger.

Under this method, the Continuing Fund is identified as the acquiring fund and the Terminated Fund is the acquired fund. This identification was based on aspects of the Continuing Fund such as investment objectives, portfolio composition and asset size of the Fund.

Details of the Phillips, Hager & North Community Values Global Equity Fund (the “Terminated Fund”) and RBC Vision Global Equity Fund (the “Continuing Fund”) are as follows:

Net assets acquired by Continuing Fund	
Series A	\$ 4 472
Advisor Series	\$ 5 923
Series D	\$ 14 939
Series F	\$ 6 238
Series O	\$ 122 196
Exchange ratio Series A	1.19
Units issued by Continuing Fund Series A	363
Exchange ratio Advisor Series	1.18
Units issued by Continuing Fund Advisor Series	478
Exchange ratio Series D	1.12
Units issued by Continuing Fund Series D	1 145
Exchange ratio Series F	1.09
Units issued by Continuing Fund Series F	467
Exchange ratio Series O	1.51
Units issued by Continuing Fund Series O	12 498

The Continuing Fund identified above acquired all of the assets and assumed all of the liabilities of the Terminated Fund at their fair market value, in return for the issuance by the Continuing Fund of its units equal in value to the net assets transferred from the Terminated Fund. As a result, the unitholders of the Terminated Fund became unitholders of the Continuing Fund. After the merger, the Terminated Fund was wound up.

As at June 30, 2017, all of the investments of the Terminated Fund were disposed of at their fair market value to the Continuing Fund.

The financial statements of the Continuing Fund include the operating results of the Terminated Fund from the date of the merger. All comparative information in these financial statements is that of the Continuing Fund only.

Under the tax reorganization rules in the *Income Tax Act* (Canada), the merger took place on a tax-deferred or “rollover” basis, and both the Terminated Fund and the Continuing Fund are deemed to have a taxation year-end as at June 30, 2017. Those investments with unrealized losses were deemed to have been disposed of at their fair market value and investments with unrealized gains were deemed to be disposed of at their fair market value or at their elected amount. The Fund had no tax liability as at June 30, 2017. All capital and non-capital loss carryforwards expired as a result of the fund merger.

None of the costs related to the merger have been charged to the funds or to the unitholders.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC VISION FOSSIL FUEL FREE GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Belgium				
24 033	Anheuser-Busch InBev S.A./N.V.	\$ 3 279	\$ 2 161	
		3 279	2 161	1.8
Germany				
143 232	Deutsche Post AG	6 578	5 340	
		6 578	5 340	4.4
Hong Kong				
329 178	AIA Group Ltd.	3 150	3 733	
		3 150	3 733	3.0
India				
31 300	HDFC Bank Ltd. ADR	3 345	4 425	
		3 345	4 425	3.6
Ireland				
20 319	Paddy Power Betfair Plc.	2 722	2 266	
		2 722	2 266	1.8
Japan				
86 683	MISUMI Group Inc.	2 952	2 493	
24 083	Nidec Corp.	3 631	3 720	
		6 583	6 213	5.1
Netherlands				
75 245	Unilever N.V.	5 474	5 565	
		5 474	5 565	4.5
South Africa				
12 012	Naspers Ltd.	2 985	3 283	
		2 985	3 283	2.7
Switzerland				
16 849	Roche Holdings AG Genusscheine	5 228	5 711	
		5 228	5 711	4.7
Taiwan				
64 700	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	2 955	3 259	
		2 955	3 259	2.7
United Kingdom				
35 307	Croda International Plc.	2 723	2 879	
49 270	InterContinental Hotels Group Plc.	3 249	3 638	
150 587	St. James's Place Plc.	2 628	2 476	
		8 600	8 993	7.3
United States				
3 200	Alphabet Inc., Class A	3 942	4 569	
2 300	Amazon.com, Inc.	3 050	4 716	
30 300	American Water Works Co. Inc.	3 404	3 755	
93 800	Blackstone Group LP	3 707	3 817	
36 800	Citigroup Inc.	3 245	2 615	
43 300	Danaher Corp.	5 063	6 096	
24 700	Estée Lauder Companies Inc., Class A	3 328	4 387	
36 000	First Republic Bank	4 173	4 273	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
59 700	Fortive Corp.	\$ 5 109	\$ 5 514	
25 400	Gartner Inc.	3 908	4 433	
19 700	Incyte Corporation Ltd.	2 051	1 710	
10 000	MarketAxess Holdings Inc.	2 423	2 885	
45 900	Microsoft Corp.	5 255	6 371	
12 800	SVB Financial Group	3 527	3 319	
89 200	TJX Companies Inc.	4 742	5 448	
19 700	UnitedHealth Group Incorporated	5 012	6 701	
		61 939	70 609	57.5
TOTAL GLOBAL EQUITIES				
		112 838	121 558	99.1
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	2	—
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(3)	—
TOTAL PORTFOLIO				
		\$ 112 838	121 557	99.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			1 138	0.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 122 695		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought ZAR 873 Sold CAD 82 @ 10.6212	02-Jan-2019	\$ 1
Bought CAD 56 Sold ZAR 591 @ 0.0946	03-Jan-2019	—
Bought CAD 95 Sold CHF 69 @ 1.3840	03-Jan-2019	—
Bought CAD 63 Sold HKD 362 @ 0.1741	03-Jan-2019	—
Bought HKD 536 Sold CAD 93 @ 5.7384	03-Jan-2019	—
Bought JPY 12 630 Sold CAD 156 @ 80.8928	08-Jan-2019	1
		\$ 2

Contracts	Maturity Date	Unrealized Loss
Bought CAD 186 Sold GBP 107 @ 1.7314	02-Jan-2019	\$ (1)
Bought CAD 221 Sold EUR 141 @ 1.5600	02-Jan-2019	(1)
Bought CAD 1 319 Sold USD 967 @ 1.3642	02-Jan-2019	(1)
		\$ (3)
TOTAL FOREIGN EXCHANGE		\$ (1)

All counterparties have a credit rating of at least A.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 121 558	\$ 115 605
Cash	–	24
Due from investment dealers	1 942	–
Subscriptions receivable	127	50
Unrealized gain on foreign exchange contracts	2	–
Dividends receivable, interest accrued and other assets	8	6
TOTAL ASSETS	123 637	115 685
LIABILITIES		
Bank overdraft	553	–
Due to investment dealers	334	42
Redemptions payable	30	–
Unrealized loss on foreign exchange contracts	3	–
Accounts payable and accrued expenses	22	10
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	942	52
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 122 695	\$ 115 633
Investments at cost	\$ 112 838	\$ 98 153
NAV		
SERIES A	\$ 6 791	\$ 2 219
ADVISOR SERIES	\$ 1 200	\$ 404
SERIES D	\$ 2 015	\$ 854
SERIES F	\$ 5 786	\$ 783
SERIES O	\$ 106 903	\$ 111 373
NAV PER UNIT		
SERIES A	\$ 10.17	\$ 10.62
ADVISOR SERIES	\$ 10.16	\$ 10.62
SERIES D	\$ 10.25	\$ 10.65
SERIES F	\$ 10.16	\$ 10.63
SERIES O	\$ 11.85	\$ 12.32

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 2 131	\$ 1 578
Interest for distribution purposes	18	11
Derivative income	24	(47)
Net realized gain (loss) on investments	8 385	6 856
Change in unrealized gain (loss) on investments	(8 733)	16 497
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	1 825	24 895
Other income (loss)	1	–
Net gain (loss) on foreign cash balances	(1)	(106)
TOTAL OTHER INCOME (LOSS)	–	(106)
TOTAL INCOME (LOSS)	1 825	24 789
EXPENSES (see notes – Fund Specific Information)		
Management fees	150	11
Administration fees	40	25
Independent Review Committee costs	2	1
GST/HST	17	3
Transaction costs	104	155
Withholding tax	263	198
TOTAL EXPENSES	576	393
INCREASE (DECREASE) IN NAV	\$ 1 249	\$ 24 396
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (202)	\$ 104
ADVISOR SERIES	\$ (45)	\$ 13
SERIES D	\$ (46)	\$ 59
SERIES F	\$ (275)	\$ 25
SERIES O	\$ 1 817	\$ 24 195
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.45)	\$ 0.96
ADVISOR SERIES	\$ (0.59)	\$ 0.72
SERIES D	\$ (0.32)	\$ 1.08
SERIES F	\$ (0.82)	\$ 0.86
SERIES O	\$ 0.19	\$ 3.06

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 1 249	\$ 24 396
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(8 295)	(6 737)
Change in unrealized loss (gain) on investments	8 733	(16 497)
(Increase) decrease in accrued receivables	(2)	21
Increase (decrease) in accrued payables	12	7
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(568 720)	(380 063)
Proceeds from sale and maturity of investments	560 680	370 195
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(6 343)	(8 678)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	73 850	25 069
Cash paid on redemption of redeemable units	(66 610)	(15 316)
Distributions paid to holders of redeemable units	(1 474)	(1 071)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 5 766	\$ 8 682
Net increase (decrease) in cash for the period	(577)	4
Cash (bank overdraft), beginning of period	24	20
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (553)	\$ 24
Interest received (paid)	\$ 18	\$ 11
Dividends received, net of withholding taxes	\$ 1 866	\$ 1 401

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV (in \$000s)

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 219	\$ —	\$ 404	\$ —	\$ 854	\$ —	\$ 783	\$ —
INCREASE (DECREASE) IN NAV	(202)	104	(45)	13	(46)	59	(275)	25
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	6 176	2 163	925	391	1 596	803	7 232	758
Reinvestments of distributions to holders of redeemable units	284	100	50	19	88	40	246	36
Redemption of redeemable units	(1 399)	(47)	(84)	—	(381)	(8)	(1 871)	—
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	5 061	2 216	891	410	1 303	835	5 607	794
Distributions from net income	—	—	—	—	(8)	—	(33)	(2)
Distributions from net gains	(287)	(101)	(50)	(19)	(88)	(40)	(296)	(34)
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(287)	(101)	(50)	(19)	(96)	(40)	(329)	(36)
NET INCREASE (DECREASE) IN NAV	4 572	2 219	796	404	1 161	854	5 003	783
NAV AT END OF PERIOD	\$ 6 791	\$ 2 219	\$ 1 200	\$ 404	\$ 2 015	\$ 854	\$ 5 786	\$ 783

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 111 373	\$ 82 505	\$ 115 633	\$ 82 505
INCREASE (DECREASE) IN NAV	1 817	24 195	1 249	24 396
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	58 902	21 009	74 831	25 124
Reinvestments of distributions to holders of redeemable units	4 944	5 758	5 612	5 953
Redemption of redeemable units	(63 809)	(15 266)	(67 544)	(15 321)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	37	11 501	12 899	15 756
Distributions from net income	(1 646)	(1 390)	(1 687)	(1 392)
Distributions from net gains	(4 678)	(5 438)	(5 399)	(5 632)
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(6 324)	(6 828)	(7 086)	(7 024)
NET INCREASE (DECREASE) IN NAV	(4 470)	28 868	7 062	33 128
NAV AT END OF PERIOD	\$ 106 903	\$ 111 373	\$ 122 695	\$ 115 633

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

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.

Series A, Advisor Series, Series D and Series F units were started August 28, 2017. 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	57.5	54.8
United Kingdom	7.3	6.7
Japan	5.1	5.4
Switzerland	4.7	4.1
Netherlands	4.5	3.4
Germany	4.4	3.5
India	3.6	4.4
Hong Kong	3.0	2.9
South Africa	2.7	3.9
Taiwan	2.7	3.7
Belgium	1.8	2.7
Ireland	1.8	2.5
Cash/Other	0.9	2.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	63.9	62.9
Euro	10.7	9.6
Pound sterling	9.2	9.2
Japanese yen	5.1	5.4
Swiss franc	4.7	4.1
Hong Kong dollar	3.0	2.9
South African rand	2.7	3.9
Total	99.3	98.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 25-month (December 31, 2017 – 13-month) historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.2	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	78 293	43 265	–	121 558
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	2	–	2
Derivatives – liabilities	–	(3)	–	(3)
Total financial instruments	78 293	43 264	–	121 557
% of total portfolio	64.4	35.6	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	72 670	40 632	–	113 302
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 303	–	2 303
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	72 670	42 935	–	115 605
% of total portfolio	62.9	37.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees*
Series A	1.75%	0.15%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a [†]	0.02%

* Effective June 30, 2017, the administration fees for Series O units were reduced to 0.02% from 0.03%.

[†] Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series A	110	105
Advisor Series	110	105
Series D	110	105
Series F	112	105
Series O	113	107
Value of all units	6	6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	209	—
Issued number of units	554	204
Reinvested number of units	28	9
Redeemed number of units	(123)	(4)
Ending number of units	668	209

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	38	—
Issued number of units	82	36
Reinvested number of units	5	2
Redeemed number of units	(7)	—
Ending number of units	118	38
Series D		
Opening units	80	—
Issued number of units	142	77
Reinvested number of units	9	4
Redeemed number of units	(34)	(1)
Ending number of units	197	80
Series F		
Opening units	74	—
Issued number of units	645	71
Reinvested number of units	25	3
Redeemed number of units	(174)	—
Ending number of units	570	74
Series O		
Opening units	9 040	8 168
Issued number of units	4 564	1 684
Reinvested number of units	426	461
Redeemed number of units	(5 011)	(1 273)
Ending number of units	9 019	9 040

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	104	100	155	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements [†]	50	48	118	76

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC O'SHAUGHNESSY GLOBAL EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
12 742	AGL Energy Ltd.	\$ 219	\$ 252	
16 960	Brambles Ltd.	169	166	
179 157	Inghams Group Ltd.	658	711	
142 055	Insurance Australia Group Ltd.	1 107	956	
59 916	Qantas Airways Ltd.	354	334	
17 358	Sandfire Resources NL	136	112	
84 600	South32 Ltd.	275	275	
149 316	Telstra Corp. Ltd.	419	408	
100 026	Whitehaven Coal Ltd.	433	416	
		3 770	3 630	4.3
Austria				
4 254	Agrana Beteiligungs AG	152	106	
		152	106	0.1
Belgium				
7 255	Ageas	498	445	
		498	445	0.5
Brazil				
31 619	SLC Agricola S.A.	553	465	
64 421	Telefonica Brasil S.A. Preference	898	1 049	
130 478	TIM Participacoes S.A.	738	545	
		2 189	2 059	2.5
Canada				
31 751	Bausch Health Co. Inc.	832	802	
12 770	Canfor Corp.	244	211	
13 122	Canfor Pulp Products Inc.	339	213	
7 342	Enghouse Systems Ltd.	586	488	
2 913	Equitable Group Inc.	198	172	
5 819	Genworth MI Canada Inc.	266	234	
8 971	Labrador Iron Ore Royalty Corp.	240	217	
1 837	Magna International Inc., Class A	144	114	
21 328	Transcontinental Inc., Class A	542	412	
		3 391	2 863	3.4
Czech Republic				
23 467	CEZ A.S.	627	767	
		627	767	0.9
Denmark				
4 650	H. Lundbeck A/S	425	279	
6 886	Novo Nordisk A/S	425	431	
		850	710	0.9
Finland				
5 452	Elisa OYJ	336	308	
4 237	Kesko OYJ	320	312	
3 845	Valmet OYJ	118	108	
		774	728	0.9
France				
12 523	Peugeot S.A.	456	362	
18 387	Lagardere S.C.A.	698	633	
		1 154	995	1.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Germany				
20 859	Borussia Dortmund GmbH & Co. KGaA	\$ 244	\$ 261	
2 144	Covestro AG	249	145	
15 998	Deutsche Telekom AG	317	371	
21 294	Deutz AG	268	172	
57 083	TUI AG	1 512	1 104	
		2 590	2 053	2.5
Hong Kong				
26 000	CK Asset Holdings Ltd.	294	260	
7 487	I-CABLE Communications Ltd.	—	—	
50 500	Kerry Properties Ltd.	323	235	
		617	495	0.6
Israel				
120 973	Israel Discount Bank Ltd.	538	510	
514	Paz Oil Co. Ltd.	104	106	
1 011	The Israel Corporation Ltd.	371	367	
		1 013	983	1.2
Italy				
11 911	ENI S.p.A.	269	257	
2 829	EXOR N.V.	230	210	
47 100	Fiat Chrysler Automobiles N.V.	1 221	927	
		1 720	1 394	1.7
Japan				
50 100	Astellas Pharma Inc.	1 036	874	
5 300	Avex Group Holdings Inc.	97	92	
9 000	Capcom Co. Ltd.	277	244	
7 600	Fujiya Co. Ltd.	216	216	
25 600	Haseko Corp.	495	366	
14 800	Hitachi Ltd.	734	536	
3 500	Hosokawa Micron Corp.	327	181	
26 900	Japan Aviation Electronics Industry Ltd.	612	423	
5 000	Kanamoto Co. Ltd.	225	180	
14 100	Kasai Kogyo Co. Ltd.	291	143	
11 000	Keihin Corp.	279	251	
10 400	Nihon Unisys Ltd.	283	316	
16 800	Nisshinbo Holdings Inc.	297	173	
17 800	NTT DoCoMo Inc.	573	546	
13 600	SAMTY Co. Ltd.	248	212	
13 400	Shizuoka Gas Co. Ltd.	167	142	
7 700	Sumitomo Dainippon Pharma Co. Ltd.	204	335	
1 700	Suzuken Co. Ltd.	98	118	
4 500	T-Gaia Corp.	159	116	
7 600	Toho Holdings Co. Ltd.	244	254	
45 600	Tokyo Electric Power Co. Holdings Inc.	279	370	
3 100	Tokyo Gas Co. Ltd.	97	107	
16 100	Tokyu Construction Co. Ltd.	219	199	
9 300	Toshiba TEC Corp.	372	296	
		7 829	6 690	8.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Netherlands				
20 488	ASR Nederland N.V.	\$ 1 154	\$ 1 107	
12 157	Koninklijke Ahold Delhaize N.V.	371	419	
1 390	NXP Semiconductor N.V.	151	139	
		1 676	1 665	2.0
Norway				
12 260	Equinor ASA	374	355	
4 601	Salmar ASA	294	312	
18 134	Telenor ASA	499	481	
10 438	TGS Nopec Geophysical Co. ASA	430	344	
		1 597	1 492	1.8
Poland				
41 579	PLAY Communications S.A.	301	317	
		301	317	0.4
Portugal				
28 760	NOS SGPS	240	238	
		240	238	0.3
Russia				
19 803	Lukoil PJSC	1 708	1 939	
34 958	Severstal PJSC	705	646	
36 474	Tatneft PJSC	429	527	
		2 842	3 112	3.7
South Africa				
30 975	Absa Group Ltd.	584	475	
22 662	Astral Foods Ltd.	716	344	
4 525	Kumba Iron Ore Ltd.	99	121	
16 520	Telkom SA Ltd.	92	99	
		1 491	1 039	1.2
South Korea				
2 363	Binggrae Co. Ltd.	204	209	
8 717	Hynix Semiconductor Inc.	444	649	
2 788	Kia Motors Corp.	102	115	
14 149	LG Telecom Ltd.	259	305	
28 546	Mirae Asset Life Insurance Co. Ltd.	189	161	
12 540	Samsung Electronics Co. Ltd.	452	596	
1 249	SK Telecom Co. Ltd.	340	411	
		1 990	2 446	2.9
Spain				
3 084	Acciona S.A.	355	356	
40 869	Endesa S.A.	1 171	1 287	
		1 526	1 643	2.0
Sweden				
12 340	Axfood AB	322	288	
15 192	Telia Co. AB	93	98	
		415	386	0.5
Switzerland				
27	Schweizerische Nationalbank	210	156	
36	Vetropack Holding AG	115	101	
		325	257	0.3
Turkey				
196 767	Tekfen Holding A.S.	966	1 049	
		966	1 049	1.3

Holdings	Security	Cost	Fair Value	% of Net Assets
United Kingdom				
10 264	Burberry Group Plc.	\$ 351	\$ 308	
11 128	De La Rue Plc.	95	82	
4 211	Imperial Brands Plc.	195	174	
36 948	International Consolidated Airlines Group S.A.	434	398	
5 477	Keller Group Plc.	101	47	
22 456	National Grid Plc.	308	300	
5 661	Persimmon Plc.	261	190	
36 843	Redde Plc.	112	109	
8 963	Rio Tinto Plc.	622	586	
93 979	Royal Mail Plc.	839	445	
49 570	Senior Plc.	273	164	
90 290	Stagecoach Group Plc.	238	208	
9 979	Tate & Lyle Plc.	117	115	
		3 946	3 126	3.7
United States				
30 583	AES Corp.	549	604	
9 477	Aflac Inc.	558	589	
9 086	Ameriprise Financial Inc.	1 821	1 295	
6 340	Amgen Inc.	1 625	1 686	
31 340	Amkor Technology Inc.	455	281	
5 275	Apple Inc.	1 075	1 137	
5 482	Applied Materials Inc.	345	245	
7 116	ArcBest Corp.	354	333	
171	Autozone Inc.	197	196	
3 103	Ball Corp.	201	195	
17 262	Best Buy Co. Inc.	1 022	1 248	
570	Big Lots Inc.	36	23	
8 114	BJ's Restaurants Inc.	648	560	
2 108	Boeing Co.	673	928	
1 050	Boston Beer Co. Inc., Class A	343	345	
892	Cincinnati Financial Corp.	93	94	
7 913	Cisco Systems Inc.	446	469	
14 932	CNO Financial Group Inc.	465	303	
7 101	ConocoPhillips	578	604	
3 974	Corning Inc.	144	164	
1 402	Cracker Barrel Old Country Store Inc.	333	306	
3 568	Deckers Outdoor Corp.	589	623	
5 630	Delta Air Lines Inc.	347	384	
9 526	Dick's Sporting Goods Inc.	471	406	
1 809	Discover Financial Services	170	146	
4 805	F5 Networks Inc.	1 070	1 063	
47 517	Fifth Third Bancorp	1 821	1 526	
5 052	Foot Locker Inc.	326	367	
10 803	Fortinet Inc.	889	1 039	
21 671	Gannett Co. Inc.	283	252	
2 732	Grainger (W.W.) Inc.	930	1 053	
2 555	Haemonetics Corporation	320	349	
5 927	HCA Healthcare Inc.	737	1 007	
4 680	Houlihan Lokey Inc., Class A	270	235	
1 857	Humana Inc.	681	727	
3 157	Intuit Inc.	842	848	
12 373	Jabil Inc.	456	419	
4 801	John Wiley & Sons Inc., Class A	400	308	
1 091	Jones Lang LaSalle Incorporated	207	189	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
5 407	JPMorgan Chase & Co.	\$ 787	\$ 721	
12 468	K12 Inc.	385	422	
2 538	Kohl's Corp.	239	230	
663	Lear Corp.	164	111	
11 876	LyondellBasell Industries N.V.	1 533	1 349	
727	M&T Bank Corp.	156	142	
5 269	Marathon Petroleum Corp.	473	424	
7 325	Marcus & Millichap Inc.	385	343	
3 026	Marcus Corp.	162	163	
8 637	Marten Transport Ltd.	246	191	
1 997	Medifast Inc.	155	341	
4 975	Merck & Co. Inc.	505	519	
33 026	Micron Technology Inc.	2 054	1 431	
1 321	National Presto Industries Inc.	227	211	
2 979	Oxford Industries Inc.	314	289	
6 161	Perficient Inc.	234	187	
8 420	Pfizer Inc.	355	502	
7 845	Premier Inc.	460	400	
3 721	Progress Software Corp.	232	180	
7 446	Qurate Retail Inc.	275	198	
68 409	Regions Financial Corp.	1 299	1 250	
17 217	Renewable Energy Group Inc.	628	604	
5 912	Resolute Forest Products Inc.	97	64	
32 727	Seagate Technology	2 284	1 726	
2 349	Spirit Aerosystems Holdings Inc., Class A	185	231	
2 040	Starbucks Corp.	181	179	
6 021	Suntrust Banks Inc.	523	415	
10 250	Target Corporation	875	925	
12 613	The Kroger Co.	479	474	
2 346	The Procter & Gamble Co.	286	294	
4 491	The RMR Group Inc., Class A	528	325	
2 705	The Walt Disney Company	407	405	
13 569	TTM Technologies Inc.	307	180	
2 685	Union Pacific Corp.	434	507	
7 625	Valero Energy Corp.	298	781	
2 670	Verso Corp.	92	82	
12 415	Viacom Inc.	525	436	
5 208	Walgreens Boots Alliance Inc.	470	486	
2 970	Warrior Met Coal Inc.	101	98	
2 804	Weis Markets Inc.	196	183	
9 606	Werner Enterprises Inc.	451	387	
		42 757	40 932	49.1
TOTAL GLOBAL EQUITIES		87 246	81 620	97.9
SHORT-TERM INVESTMENTS*		1 021	1 021	1.2
TOTAL INVESTMENTS		88 267	82 641	99.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(2)	—
TOTAL PORTFOLIO		\$ 88 267	82 639	99.1
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			783	0.9
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 83 422	100.0	

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 147 Sold JPY 11 948 @ 0.0123	04-Jan-2019	\$ (2)
TOTAL FOREIGN EXCHANGE		\$ (2)

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 82 641	\$ 99 017
Cash	531	28
Due from investment dealers	149	1 136
Subscriptions receivable	37	36
Dividends receivable, interest accrued and other assets	231	138
TOTAL ASSETS	83 589	100 355
LIABILITIES		
Due to investment dealers	—	1 275
Redemptions payable	25	16
Unrealized loss on foreign exchange contracts	2	3
Accounts payable and accrued expenses	140	168
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	167	1 462
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 83 422	\$ 98 893
Investments at cost	\$ 88 267	\$ 88 178
NAV		
SERIES A	\$ 54 977	\$ 68 844
ADVISOR SERIES	\$ 5 631	\$ 6 147
SERIES D	\$ 9 922	\$ 11 529
SERIES F	\$ 12 544	\$ 12 073
SERIES O	\$ 348	\$ 300
NAV PER UNIT		
SERIES A	\$ 9.90	\$ 10.78
ADVISOR SERIES	\$ 9.89	\$ 10.77
SERIES D	\$ 9.94	\$ 10.83
SERIES F	\$ 9.95	\$ 10.84
SERIES O	\$ 11.16	\$ 12.15

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 2 976	\$ 2 691
Interest for distribution purposes	33	10
Derivative income	(14)	(19)
Net realized gain (loss) on investments	9 230	11 167
Change in unrealized gain (loss) on investments	(16 464)	141
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(4 239)	13 990
Other income (loss)	25	—
Securities lending revenue (see note 7 in the generic notes)	23	27
Net gain (loss) on foreign cash balances	(29)	(8)
TOTAL OTHER INCOME (LOSS)	19	19
TOTAL INCOME (LOSS)	(4 220)	14 009
EXPENSES (see notes – Fund Specific Information)		
Management fees	1 573	1 572
Administration fees	181	174
Independent Review Committee costs	2	3
GST/HST	167	167
Transaction costs	111	111
Withholding tax	342	256
TOTAL EXPENSES	2 376	2 283
INCREASE (DECREASE) IN NAV	\$ (6 596)	\$ 11 726
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (4 424)	\$ 8 298
ADVISOR SERIES	\$ (461)	\$ 704
SERIES D	\$ (730)	\$ 1 401
SERIES F	\$ (963)	\$ 1 285
SERIES O	\$ (18)	\$ 38
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (0.74)	\$ 1.22
ADVISOR SERIES	\$ (0.81)	\$ 1.25
SERIES D	\$ (0.71)	\$ 1.34
SERIES F	\$ (0.77)	\$ 1.39
SERIES O	\$ (0.72)	\$ 2.20



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (6 596)	\$ 11 726
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(9 123)	(11 046)
Change in unrealized loss (gain) on investments	16 464	(141)
(Increase) decrease in accrued receivables	(93)	115
Increase (decrease) in accrued payables	(28)	5
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(347 240)	(369 070)
Proceeds from sale and maturity of investments	355 986	374 179
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9 370	5 768
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	6 626	9 440
Cash paid on redemption of redeemable units	(15 397)	(15 099)
Distributions paid to holders of redeemable units	(96)	(88)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (8 867)	\$ (5 747)
Net increase (decrease) in cash for the period	503	21
Cash (bank overdraft), beginning of period	28	7
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 531	\$ 28
Interest received (paid)	\$ 33	\$ 10
Dividends received, net of withholding taxes	\$ 2 566	\$ 2 550

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 68 844	\$ 70 610	\$ 6 147	\$ 5 589	\$ 11 529	\$ 10 018	\$ 12 073	\$ 6 531
INCREASE (DECREASE) IN NAV	(4 424)	8 298	(461)	704	(730)	1 401	(963)	1 285
Early redemption fees	—	1	—	—	—	—	—	—
Proceeds from redeemable units issued	3 370	4 036	797	927	1 610	2 303	4 292	5 499
Reinvestments of distributions to holders of redeemable units	251	281	24	26	133	150	129	125
Redemption of redeemable units	(12 809)	(14 096)	(847)	(1 068)	(2 486)	(2 191)	(2 782)	(1 174)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(9 188)	(9 778)	(26)	(115)	(743)	262	1 639	4 450
Distributions from net income	(255)	(286)	(29)	(31)	(134)	(152)	(205)	(193)
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(255)	(286)	(29)	(31)	(134)	(152)	(205)	(193)
NET INCREASE (DECREASE) IN NAV	(13 867)	(1 766)	(516)	558	(1 607)	1 511	471	5 542
NAV AT END OF PERIOD	\$ 54 977	\$ 68 844	\$ 5 631	\$ 6 147	\$ 9 922	\$ 11 529	\$ 12 544	\$ 12 073

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 300	\$ 144	\$ 98 893	\$ 92 892
INCREASE (DECREASE) IN NAV	(18)	38	(6 596)	11 726
Early redemption fees	—	—	—	1
Proceeds from redeemable units issued	139	141	10 208	12 906
Reinvestments of distributions to holders of redeemable units	—	—	537	582
Redemption of redeemable units	(63)	(15)	(18 987)	(18 544)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	76	126	(8 242)	(5 055)
Distributions from net income	(10)	(8)	(633)	(670)
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10)	(8)	(633)	(670)
NET INCREASE (DECREASE) IN NAV	48	156	(15 471)	6 001
NAV AT END OF PERIOD	\$ 348	\$ 300	\$ 83 422	\$ 98 893

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns composed of capital growth and current income from investments throughout the world.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	49.1	48.2
Japan	8.0	8.9
Australia	4.3	1.8
Russia	3.7	1.6
United Kingdom	3.7	3.0
Canada	3.4	4.7
South Korea	2.9	5.0
Brazil	2.5	0.3
Germany	2.5	1.9
Norway	1.8	1.3
France	1.2	3.0
South Africa	1.2	1.1
Hong Kong	0.6	0.2
Switzerland	0.3	0.8
Other Countries	12.7	17.2
Cash/Other	2.1	1.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	53.7	50.0
Euro	11.0	11.2
Japanese yen	8.0	8.9
Australian dollar	4.5	1.8
Pound sterling	3.8	2.4
South Korean won	2.9	5.3
Brazilian real	2.5	—
Norwegian krone	1.8	1.3
Turkish new lira	1.3	1.2
South African rand	1.2	1.1
Israeli new shekel	1.2	3.8
Czech koruna	0.9	1.1
Danish krone	0.9	2.8
Hong Kong dollar	0.6	—
Mexican peso	0.5	—

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Swedish krona	0.5	—
Polish zloty	—	0.9
Swiss franc	—	0.8
Malaysian ringgit	—	0.5
New Zealand dollar	—	0.5
Other currencies	0.7	1.2
Total	96.0	94.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.8% (December 31, 2017 – 4.7%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	45 993	35 627	—	81 620
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	1 021	—	1 021
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(2)	—	(2)
Total financial instruments	45 993	36 646	—	82 639
% of total portfolio	55.7	44.3	—	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	52 995	44 963	—	97 958
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	1 059	—	1 059
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	(3)	—	(3)
Total financial instruments	52 995	46 019	—	99 014
% of total portfolio	53.5	46.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.85%	0.20%
Advisor Series	1.85%	0.15%
Series D	1.10%	0.15%
Series F	0.85%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	179	174
Value of all units	2	2

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	66 004
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	6 387	7 363
Issued number of units	306	400
Reinvested number of units	26	26
Redeemed number of units	(1 166)	(1 402)
Ending number of units	5 553	6 387

Advisor Series

Opening units	571	583
Issued number of units	73	92
Reinvested number of units	2	2
Redeemed number of units	(77)	(106)
Ending number of units	569	571

Series D

Opening units	1 065	1 040
Issued number of units	144	227
Reinvested number of units	14	14
Redeemed number of units	(225)	(216)
Ending number of units	998	1 065

Series F

Opening units	1 114	677
Issued number of units	386	540
Reinvested number of units	13	11
Redeemed number of units	(253)	(114)
Ending number of units	1 260	1 114

Series O

Opening units	25	13
Issued number of units	11	13
Reinvested number of units	—	—
Redeemed number of units	(5)	(1)
Ending number of units	31	25

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	111	100	111	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.



December 31, 2018

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	12 208	11 042
Fair value of collateral received	12 453	11 263

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	32	100	40	100
RBC IS (paid)	(8)	(25)	(11)	(28)
Tax withheld	(1)	(3)	(2)	(4)
Fund revenue	23	72	27	68

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	–	(2)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	(2)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(2)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	–	(3)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	(3)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(3)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC QUBE ALL COUNTRY WORLD EQUITY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
1 454	AGL Energy Ltd.	\$ 29	\$ 29	
809	Brambles Ltd.	8	8	
225	Cochlear Limited	43	38	
4 839	Coles Group Ltd.	61	55	
1 042	Flight Centre Travel Group Ltd.	63	43	
20 698	Qantas Airways Ltd.	103	115	
5 251	Wesfarmers Ltd.	244	164	
1 288	Woolworths Group Ltd.	36	36	
		587	488	5.7
Brazil				
1 700	Banco do Brasil S.A.	16	28	
		16	28	0.3
Canada				
100	Constellation Software Inc.	80	87	
		80	87	1.0
China				
2 500	Baoshan Iron & Steel Co. Ltd.	3	3	
64 000	China Citic Bank	54	53	
162 000	China Construction Bank Corp.	187	181	
124 000	China Petroleum & Chemical Corp.	114	121	
34 000	CNOOC Ltd.	64	71	
16 000	Industrial & Commercial Bank of China	18	16	
2 000	Kunlun Energy Co. Ltd.	3	3	
80 000	Sinopec Shanghai Petrochemical Co.	57	48	
4 000	Yanzhou Coal Mining Co. Ltd.	5	4	
		505	500	5.8
Czech Republic				
129	CEZ A.S.	4	4	
		4	4	0.1
Denmark				
121	Coloplast A/S	15	15	
4 520	Danske Bank A/S	222	122	
367	DSV A/S	40	33	
507	H. Lundbeck A/S	38	30	
3 378	Novo Nordisk A/S	222	211	
245	Pandora A/S	14	14	
		551	425	5.0
Germany				
32	Adidas AG	9	9	
80	Allianz SE	22	22	
2 066	Covestro AG	229	140	
2 347	Deutsche Lufthansa AG	102	72	
265	Deutsche Telekom AG	6	6	
58	Henkel KGaA, Preferred Non-Voting	8	9	
1 113	ProSiebenSat.1 Media SE	36	27	
179	RTL Group S.A.	14	13	
142	Wirecard AG	34	29	
		460	327	3.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Hong Kong				
1 200	Sands China Ltd.	\$ 9	\$ 7	
3 000	Sun Hung Kai Properties Ltd.	63	58	
22 800	Wynn Macau Ltd.	108	68	
		180	133	1.6
India				
2 841	Infosys Technologies Ltd. ADR	35	37	
		35	37	0.4
Japan				
1 900	Japan Post Holdings Co. Ltd.	29	30	
800	Kajima Corp.	19	15	
600	Kirin Brewery Co. Ltd.	17	17	
7 400	Mizuho Financial Group Inc.	17	16	
200	Sony Corp.	14	13	
200	Sumitomo Mitsui Financial Group Inc.	11	9	
300	Suzuken Co. Ltd.	18	21	
1 400	Taisei Corp.	91	82	
800	Tokyo Electric Power Co. Holdings Inc.	5	6	
		221	209	2.4
Mexico				
66 600	America Movil S.A.B. de C.V.	72	65	
1 400	Grupo Financiero Banorte S.A.B. de C.V.	11	9	
		83	74	0.9
Netherlands				
871	Aegon N.V.	6	6	
1 465	NN Group N.V.	80	80	
		86	86	1.0
New Zealand				
2 601	a2 Milk Co. Ltd.	25	27	
		25	27	0.3
Norway				
5 449	Equinor ASA	184	158	
7 888	Telenor ASA	212	209	
		396	367	4.3
Poland				
424	Jastrzebska Spolka Weglowa S.A.	15	10	
3 306	PGE Polska Grupa Energetyczna S.A.	15	12	
21 634	Tauron Polska Energia S.A.	24	17	
		54	39	0.5
Qatar				
3 177	Barwa Real Estate Co.	35	47	
		35	47	0.6

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
South Africa				
1 240	Absa Group Ltd.	\$ 16	\$ 19	
		16	19	0.2
South Korea				
460	BNK Financial Group Inc.	4	4	
467	DGB Financial Group Inc.	5	5	
803	Hana Financial Group Inc.	40	36	
405	HDC Holdings Co. Ltd.	44	9	
332	HDC Hyundai Development Co-Engineering & Construction	30	20	
163	Hynix Semiconductor Inc.	16	12	
43	KB Financial Group Inc.	3	2	
1 296	Korea Electric Power Corp.	58	52	
204	Korea Gas Corp.	10	12	
2 900	Samsung Electronics Co. Ltd.	174	138	
		384	290	3.4
Sweden				
538	Swedish Match AB	35	29	
		35	29	0.3
Switzerland				
13	Barry Callebaut AG	33	28	
686	Roche Holdings AG Genusscheine	217	233	
		250	261	3.1
Taiwan				
13 000	Acer Inc.	13	11	
		13	11	0.1
Turkey				
129 284	Emlak Konut Gayrimenkul Yatirim Ortakligi A.S. Real Estate Investment Trust	120	50	
796	TAV Havalimanlari Holding A.S.	6	5	
6 448	Turkiye Garanti Bankasi A.S.	12	13	
9 363	Turkiye Vakiflar Bankasi T.A.O.	21	9	
		159	77	0.9
United Arab Emirates				
14 141	Emirates Telecommunications Group Co. PJSC	84	89	
		84	89	1.0
United Kingdom				
12 916	3i Group Plc.	199	174	
		199	174	2.0
United States				
72	AbbVie Inc.	9	9	
39	Accenture Plc., Class A	8	8	
1 859	Ally Financial Inc.	67	58	
132	Alphabet Inc., Class C	203	187	
1 784	Altria Group Inc.	127	120	
24	Amazon.com, Inc.	52	49	
1 016	Ameriprise Financial Inc.	195	145	
708	Amgen Inc.	180	188	
331	Best Buy Co. Inc.	30	24	
41	Biogen Inc.	16	17	
510	Boeing Co.	190	225	
19	Booking Holdings Inc.	46	45	
96	Bristol-Myers Squibb Co.	7	7	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
227	C.H. Robinson Worldwide Inc.	\$ 27	\$ 26	
89	Capital One Financial Corp.	10	9	
9	Centene Corp.	2	1	
509	Citigroup Inc.	46	36	
386	Eli Lilly & Co.	55	61	
956	Estée Lauder Companies Inc., Class A	179	170	
1 704	Expeditors International of Washington, Inc.	162	158	
682	Foot Locker Inc.	47	50	
1 219	Fortinet Inc.	120	117	
237	HCA Healthcare Inc.	42	40	
512	Home Depot Inc.	126	120	
1 396	Intel Corp.	87	90	
381	Intuit Inc.	76	102	
471	Kohl's Corp.	40	43	
73	Lululemon Athletica Inc.	13	12	
1 624	LyondellBasell Industries N.V.	231	184	
1 108	Mastercard Inc.	236	285	
1 763	Merck & Co. Inc.	179	184	
2 433	Micron Technology Inc.	137	105	
1 974	Microsoft Corp.	251	274	
440	Morgan Stanley	26	24	
210	MSCI Inc.	33	42	
1 477	Nike Inc.	153	149	
1 824	Noble Corporation plc	10	7	
453	PayPal Holdings Inc.	50	52	
27	PepsiCo Inc.	4	4	
876	Philip Morris International Inc.	97	80	
2 081	Phillips 66 Company	310	245	
1 544	Robert Half International Inc.	145	121	
238	S&P Global Inc.	64	55	
1 302	Seagate Technology	77	69	
814	Simon Property Group Inc.	190	187	
1 337	Starbucks Corp.	113	118	
1 154	Target Corporation	108	104	
464	Texas Instruments Inc.	67	60	
122	The Procter & Gamble Co.	16	15	
1 693	TJX Companies Inc.	101	103	
776	United Continental Holdings Inc.	90	89	
90	Walgreens Boots Alliance Inc.	9	8	
		4 859	4 681	54.7
TOTAL GLOBAL EQUITIES		\$ 9 317	8 509	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			49	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 8 558		100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 8 509	\$ 8 866
Cash	37	2
Subscriptions receivable	–	20
Dividends receivable, interest accrued and other assets	12	9
TOTAL ASSETS	8 558	8 897
LIABILITIES		
Due to investment dealers	–	20
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	–	20
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 8 558	\$ 8 877
Investments at cost	\$ 9 317	\$ 8 148
NAV		
SERIES O	\$ 8 558	\$ 8 877
NAV PER UNIT		
SERIES O	\$ 4.64	\$ 4.76

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 086	\$ 460
Interest for distribution purposes	–	(2)
Income from investment trusts	2	–
Derivative income	(3)	(58)
Net realized gain (loss) on investments	249	3 761
Change in unrealized gain (loss) on investments	(1 526)	(518)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(192)	3 643
Other income (loss)	11	–
Securities lending revenue (see note 7 in the generic notes)	1	5
Net gain (loss) on foreign cash balances	3	28
TOTAL OTHER INCOME (LOSS)	15	33
TOTAL INCOME (LOSS)	(177)	3 676
EXPENSES (see notes – Fund Specific Information)		
Administration fees	–	5
Independent Review Committee costs	2	3
Transaction costs	8	36
Withholding tax	30	25
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	38	66
INCREASE (DECREASE) IN NAV	\$ (215)	\$ 3 610
INCREASE (DECREASE) IN NAV SERIES O	\$ (215)	\$ 3 610
INCREASE (DECREASE) IN NAV PER UNIT SERIES O	\$ (0.12)	\$ 2.10

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (215)	\$ 3 610
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(241)	(3 713)
Change in unrealized loss (gain) on investments	1 526	518
(Increase) decrease in accrued receivables	(3)	43
Increase (decrease) in accrued payables	—	(1)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(14 196)	(28 706)
Proceeds from sale and maturity of investments	13 248	51 381
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	119	23 132
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	237	22
Cash paid on redemption of redeemable units	(321)	(21 697)
Distributions paid to holders of redeemable units	—	(1 511)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (84)	\$ (23 186)
Net increase (decrease) in cash for the period	35	(54)
Cash (bank overdraft), beginning of period	2	56
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 37	\$ 2
Interest received (paid)	\$ —	\$ (2)
Dividends received, net of withholding taxes	\$ 1 065	\$ 477

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 8 877	\$ 27 376
INCREASE (DECREASE) IN NAV	(215)	3 610
Early redemption fees	—	—
Proceeds from redeemable units issued	217	42
Reinvestments of distributions to holders of redeemable units	—	7 412
Redemption of redeemable units	(321)	(21 697)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(104)	(14 243)
Distributions from net income	—	(2 287)
Distributions from net gains	—	(3 142)
Distributions from capital	—	(2 437)
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	(7 866)
NET INCREASE (DECREASE) IN NAV	(319)	(18 499)
NAV AT END OF PERIOD	\$ 8 558	\$ 8 877



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	54.7	50.2
China	5.8	5.9
Australia	5.7	4.0
Denmark	5.0	4.8
Norway	4.3	1.2
Germany	3.8	2.5
South Korea	3.4	3.3
Switzerland	3.1	4.3
Japan	2.4	3.1
United Kingdom	2.0	5.7
Hong Kong	1.6	1.5
Canada	1.0	1.5
Netherlands	1.0	2.8
United Arab Emirates	1.0	1.8
Turkey	0.9	1.7
Spain	–	1.8
Other Countries	3.7	3.8
Cash/Other	0.6	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	55.3	50.0
Hong Kong dollar	7.4	7.4
Australian dollar	5.7	4.0
Danish krone	5.0	4.8
Euro	4.8	10.0
Norwegian krone	4.3	1.2
South Korean won	3.4	3.3
Swiss franc	3.0	4.3
Japanese yen	2.4	3.2
Pound sterling	2.0	4.0
UAE dirham	1.0	1.8

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Mexican peso	0.9	0.9
Turkish new lira	0.9	1.7
Qatari rial	0.6	–
Polish zloty	0.5	–
New Taiwan dollar	–	0.8
Other currencies	1.2	0.9
Total	98.4	98.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.9% (December 31, 2017 – 4.9%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI All Country World Infrastructure		
Total Return Net Index (CAD)	+ or - 1.1	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	4 907	3 602	–	8 509
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	4 907	3 602	–	8 509
% of total portfolio	57.7	42.3	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	4 679	4 187	—	8 866
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	4 679	4 187	—	8 866
% of total portfolio	52.8	47.2	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.02%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series 0	1 293 332	1 293 332
Value of all units	6 002	6 157

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	—
Non-capital losses	309
Non-capital losses expire in: 2038	309

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	1 865	2 930
Issued number of units	44	6
Reinvested number of units	—	1 246
Redeemed number of units	(65)	(2 317)
Ending number of units	1 844	1 865

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	8	100	36	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	638	274
Fair value of collateral received	651	280

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	1	100	7	100
RBC IS (paid)	—	(25)	(2)	(26)
Tax withheld	—	(1)	—	(1)
Fund revenue	1	74	5	73



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

**RBC QUBE LOW VOLATILITY ALL COUNTRY
WORLD EQUITY FUND**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Australia				
18 782	AGL Energy Ltd.	\$ 331	\$ 373	
881	Cochlear Limited	178	147	
1 600	Coles Group Ltd.	20	18	
54 986	Telstra Corp. Ltd.	288	151	
7 891	Woolworths Group Ltd.	226	223	
		1 043	912	0.7
Belgium				
1 238	Ageas	82	76	
41 406	Colruyt S.A.	2 948	4 033	
5 011	Groupe Bruxelles Lambert S.A.	668	597	
11 487	Proximus	463	425	
		4 161	5 131	4.2
Canada				
40 700	Bank of Montreal	4 215	3 630	
14 600	Bank of Nova Scotia	1 071	994	
14 855	BCE Inc.	854	801	
7 600	Magna International Inc., Class A	552	471	
40 100	Royal Bank of Canada*	3 778	3 747	
		10 470	9 643	7.8
China				
101 900	China Mobile (Hong Kong) Ltd.	1 301	1 346	
1 588 000	China Telecom Corp. Ltd.	953	1 111	
173 100	China Yangtze Power Co. Ltd.	572	547	
72 000	Sinopec Shanghai Petrochemical Co.	53	43	
		2 879	3 047	2.5
Czech Republic				
3 413	CEZ A.S.	108	112	
		108	112	0.1
Denmark				
24 460	Novo Nordisk A/S	1 603	1 531	
		1 603	1 531	1.2
France				
4 191	Peugeot S.A.	139	121	
1 459	Renault S.A.	202	124	
		341	245	0.2
Germany				
789	Beiersdorf AG	94	113	
		94	113	0.1
Hong Kong				
160 700	CLP Holdings Ltd.	1 670	2 479	
3 600	Hang Seng Bank Ltd.	112	110	
200 500	HK Electric Investments & HK Electric Investments Ltd., Stapled Security	220	276	
327 734	Hong Kong & China Gas Co. Ltd.	679	924	
38 400	Power Assets Holdings Ltd.	438	364	
19 500	Sun Hung Kai Properties Ltd.	360	380	
		3 479	4 533	3.7

Holdings	Security	Cost	Fair Value	% of Net Assets
Indonesia				
49 000	PT Telekomunikasi Indonesia Persero Tbk	\$ 20	\$ 17	
81 700	PT Unilever Indonesia Tbk	406	353	
		426	370	0.3
Israel				
43 849	Bank Hapoalim Ltd.	349	379	
167 493	Bank Leumi Le-Israel	1 074	1 382	
40 715	Mizrahi Tefahot Bank Ltd.	841	939	
		2 264	2 700	2.2
Japan				
79 600	Astellas Pharma Inc.	1 363	1 388	
13 000	Bridgestone Corp.	701	681	
47 800	Chubu Electric Power Co. Inc.	765	927	
3 500	Eisai Co. Ltd.	388	370	
25 700	Japan Post Holdings Co. Ltd.	389	405	
40 150	Kamigumi Co. Ltd.	1 038	1 121	
92 300	Marubeni Corp.	873	884	
19 700	Mazda Motor Corp.	274	276	
658 800	Mizuho Financial Group Inc.	1 506	1 392	
77 200	Nissan Motor Co. Ltd.	974	843	
108 700	NTT DoCoMo Inc.	3 156	3 334	
2 400	Oracle Corp. Japan	255	208	
1 900	Orix Corp.	42	38	
29 020	Osaka Gas Co. Ltd.	726	723	
5 100	Sankyo Co. Ltd.	217	265	
10 600	Suzuken Co. Ltd.	604	737	
6 700	Toyo Suisan Kaisha Ltd.	309	319	
4 800	Toyota Motor Corp.	340	379	
417	United Urban Investment Corp. Real Estate Investment Trust	870	882	
12 000	Yamaguchi Financial Group Inc.	183	157	
		14 973	15 329	12.5
Malaysia				
54 900	Hong Leong Bank Berhad	229	370	
27 900	Kuala Lumpur Kepong Berhad	199	228	
290 640	PPB Group Berhad	1 186	1 683	
26 100	Public Bank Berhad	165	213	
239 400	Tenaga Nasional Berhad	1 004	1 077	
358 836	YTL Power International Berhad	166	98	
		2 949	3 669	3.0
Netherlands				
6 916	NN Group N.V.	394	375	
		394	375	0.3
Pakistan				
140 000	United Bank Ltd	308	169	
		308	169	0.1
Qatar				
6 300	Qatar Electricity & Water Co. Q.S.C.	471	438	
6 822	Qatar National Bank SAQ	450	496	
		921	934	0.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Singapore				
44 000	Singapore Telecommunications Ltd.	\$ 153	\$ 129	
		153	129	0.1
South Korea				
4 938	Korea Electric Power Corp.	325	200	
		325	200	0.2
Switzerland				
2 091	Kuehne + Nagel International AG	403	367	
1 109	Pargesa Holding S.A.	97	109	
9 421	Roche Holdings AG Genusscheine	2 931	3 193	
1 295	Swiss Life Holding	587	682	
2 915	Swisscom AG	1 813	1 902	
		5 831	6 253	5.1
Taiwan				
545 400	Chunghwa Telecom Co. Ltd.	2 257	2 719	
264 000	Far EasTone Telecommunications Co. Ltd.	797	895	
495 120	Taiwan Business Bank	163	228	
33 000	Uni-President Enterprises Corp.	105	102	
		3 322	3 944	3.2
United Arab Emirates				
289 296	Emirates Telecommunications Group Co. PJSC	1 857	1 826	
		1 857	1 826	1.5
United Kingdom				
5 007	Berkeley Group Holdings Plc.	359	303	
2 386	Experian Group Ltd.	67	79	
10 334	Smith & Nephew Plc.	182	264	
13 818	SSE Plc.	335	261	
		943	907	0.7
United States				
8 989	Accenture Plc., Class A	1 732	1 730	
2 045	Aflac Inc.	124	127	
6 969	Amgen Inc.	1 760	1 853	
1 537	Centerpoint Energy Inc.	57	59	
9 663	Citigroup Inc.	823	687	
19 995	Colgate-Palmolive Company	1 774	1 625	
33 315	Consolidated Edison Inc.	3 264	3 477	
759	Costco Wholesale Corp.	232	211	
2 877	DTE Energy Company	362	433	
17 909	Duke Energy Corp.	1 947	2 110	
6 040	Eli Lilly & Co.	636	954	
6 238	Estée Lauder Companies Inc., Class A	1 163	1 108	
59 556	Exelon Corp.	3 177	3 667	
6 660	F5 Networks Inc.	1 126	1 473	
623	Garmin Ltd.	54	54	
3 067	Home Depot Inc.	763	720	
585	Honeywell International Inc.	110	106	
2 670	IDEXX Laboratories Inc.	700	678	
6 569	Intuit Inc.	1 245	1 765	
672	Intuitive Surgical Inc.	310	440	
9 131	Johnson & Johnson	1 413	1 609	
8 936	Kimberly-Clark Corp.	1 221	1 391	

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
1 373	Lear Corp.	\$ 285	\$ 230	
33 116	Loews Corp.	2 021	2 057	
10 961	LyondellBasell Industries N.V.	1 601	1 245	
3 115	Mastercard Inc.	659	802	
6 214	McDonald's Corp.	1 311	1 506	
5 152	Motorola Solutions Inc.	765	809	
1 297	NextEra Energy Inc.	284	308	
1 836	Nike Inc.	181	186	
28 269	Pentair Plc.	1 578	1 458	
35 362	Pfizer Inc.	1 725	2 107	
2 661	Pinnacle West Capital Corp.	299	310	
269	Robert Half International Inc.	22	21	
69 564	Rollins Inc.	3 287	3 426	
8 009	Simon Property Group Inc.	1 969	1 837	
1 020	SL Green Realty Corp. Real Estate Investment Trust	129	110	
9 407	Southern Co.	543	564	
2 642	Stryker Corp.	584	565	
32 484	Sysco Corp.	2 630	2 779	
1 236	Texas Instruments Inc.	130	159	
32 439	The Coca-Cola Co.	1 807	2 097	
7 352	The Procter & Gamble Co.	839	923	
40 020	TJX Companies Inc.	2 202	2 444	
2 763	U.S. Bancorp	193	172	
4 989	UnitedHealth Group Incorporated	1 281	1 697	
1 751	Varian Medical Systems Inc.	234	271	
835	Vertex Pharmaceuticals Inc.	186	189	
5 424	Walmart Inc.	645	690	
5 015	WEC Energy Group Inc.	428	474	
45 956	Xcel Energy Inc.	2 453	3 091	
16 012	Yum! Brands, Inc.	1 870	2 010	
		56 134	60 814	49.4
TOTAL GLOBAL EQUITIES		114 978	122 886	99.9
SHORT-TERM INVESTMENTS†		446	446	0.3
TOTAL INVESTMENTS		\$ 115 424	123 332	100.2
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(281)	(0.2)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			\$ 123 051	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



**RBC QUBE LOW VOLATILITY ALL COUNTRY
WORLD EQUITY FUND**

Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 123 332	\$ 129 906
Cash	8	121
Dividends receivable, interest accrued and other assets	103	135
TOTAL ASSETS	123 443	130 162
LIABILITIES		
Redemptions payable	389	88
Accounts payable and accrued expenses	3	2
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	392	90
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 123 051	\$ 130 072
Investments at cost	\$ 115 424	\$ 122 848
NAV		
SERIES 0	\$ 123 051	\$ 130 072
NAV PER UNIT		
SERIES 0	\$ 12.33	\$ 12.35

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3 880	\$ 2 709
Interest for distribution purposes	–	(1)
Income from investment trusts	10	–
Derivative income	30	(202)
Net realized gain (loss) on investments	6 916	6 895
Change in unrealized gain (loss) on investments	850	2 519
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	11 686	11 920
Other income (loss)	5	–
Securities lending revenue (see note 7 in the generic notes)	16	16
Net gain (loss) on foreign cash balances	(47)	128
TOTAL OTHER INCOME (LOSS)	(26)	144
TOTAL INCOME (LOSS)	11 660	12 064
EXPENSES (see notes – Fund Specific Information)		
Administration fees	24	20
Independent Review Committee costs	2	3
GST/HST	2	1
Transaction costs	59	81
Withholding tax	523	299
TOTAL EXPENSES	610	404
INCREASE (DECREASE) IN NAV	\$ 11 050	\$ 11 660
INCREASE (DECREASE) IN NAV SERIES 0	\$ 11 050	\$ 11 660
INCREASE (DECREASE) IN NAV PER UNIT SERIES 0	\$ 1.10	\$ 1.55

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 11 050	\$ 11 660
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(6 857)	(6 840)
Change in unrealized loss (gain) on investments	(850)	(2 519)
(Increase) decrease in accrued receivables	32	—
Increase (decrease) in accrued payables	1	1
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(101 400)	(145 882)
Proceeds from sale and maturity of investments	115 681	96 357
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	17 657	(47 223)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17 343	71 859
Cash paid on redemption of redeemable units	(35 112)	(23 921)
Distributions paid to holders of redeemable units	(1)	(642)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (17 770)	\$ 47 296
Net increase (decrease) in cash for the year	(113)	73
Cash (bank overdraft), beginning of period	121	48
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 8	\$ 121
Interest received (paid)	\$ —	\$ (1)
Dividends received, net of withholding taxes	\$ 3 394	\$ 2 410

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 130 072	\$ 70 562
INCREASE (DECREASE) IN NAV	11 050	11 660
Early redemption fees	—	—
Proceeds from redeemable units issued	17 343	71 859
Reinvestments of distributions to holders of redeemable units	10 274	9 315
Redemption of redeemable units	(35 413)	(24 009)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(7 796)	57 165
Distributions from net income	(3 413)	(2 425)
Distributions from net gains	(6 862)	(6 890)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(10 275)	(9 315)
NET INCREASE (DECREASE) IN NAV	(7 021)	59 510
NAV AT END OF PERIOD	\$ 123 051	\$ 130 072



**RBC QUBE LOW VOLATILITY ALL COUNTRY
WORLD EQUITY FUND**

December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	49.4	49.9
Japan	12.5	12.4
Canada	7.8	8.3
Switzerland	5.1	5.9
Belgium	4.2	4.2
Hong Kong	3.7	3.1
Taiwan	3.2	3.1
Malaysia	3.0	2.9
China	2.5	1.7
Israel	2.2	2.5
Other Countries	6.3	5.9
Cash/Other	0.1	0.1
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	49.5	50.0
Japanese yen	12.5	12.5
Hong Kong dollar	5.7	4.7
Swiss franc	5.1	6.0
Euro	4.8	5.8
New Taiwan dollar	3.2	3.1
Malaysian ringgit	3.0	2.9
Israeli new shekel	2.2	2.5
UAE dirham	1.5	1.1
Danish krone	1.2	0.6
Qatari rial	0.8	—
Australian dollar	0.7	1.2
Pound sterling	0.7	0.7
Other currencies	1.2	0.8
Total	92.1	91.9

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.6% (December 31, 2017 – 4.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI All Country World Infrastructure		
Total Return Net Index (CAD)	+ or - 0.7	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	70 457	52 429	—	122 886
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	446	—	446
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	70 457	52 875	—	123 332
% of total portfolio	57.1	42.9	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	75 672	54 234	—	129 906
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	75 672	54 234	—	129 906
% of total portfolio	58.3	41.7	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.02%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	10 535	5 938
Issued number of units	1 325	5 683
Reinvested number of units	834	754
Redeemed number of units	(2 711)	(1 840)
Ending number of units	9 983	10 535

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	59	100	81	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	1 482	8 152
Fair value of collateral received	1 511	8 315

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	22	100	22	100
RBC IS (paid)	(6)	(25)	(6)	(26)
Tax withheld	—	(2)	—	(2)
Fund revenue	16	73	16	72



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC GLOBAL ENERGY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Energy Equipment and Services				
44 100	Halliburton Co.	\$ 2 288	\$ 1 599	
39 701	National Energy Services Reunited Corp.	544	469	
99 801	National Energy Services Reunited Corp., Warrants @ 5.75 June 5, 2022	—	170	
24 100	National Oilwell Varco Inc.	1 421	845	
		4 253	3 083	1.6
Metals and Mining				
164 835	Desert Lion Energy Inc., Warrants @ 2.28 November 28, 2019	—	—	
4 372 000	Mongolia Minerals Corp.* (Private)	3 500	—	
1 569 200	Neo Lithium Corp.	2 343	973	
1 471 000	RB Energy Inc.	1 000	—	
46 900	Teck Resources Ltd., Class B	1 481	1 378	
		8 324	2 351	1.2
Oil, Gas and Consumable Fuels				
52 500	Anadarko Petroleum Corp.	4 422	3 142	
80 600	Canadian Natural Resources Ltd.	3 073	2 655	
117 900	Chevron Corp.	16 468	17 515	
58 520	Concho Resources Inc.	9 822	8 213	
148 600	ConocoPhillips	10 155	12 650	
32 400	Continental Resources Inc.	2 341	1 778	
13 243	Diamondback Energy Inc.	1 679	1 677	
76 800	Enbridge Inc.	3 506	3 257	
103 000	EOG Resources Inc.	11 320	12 263	
190 971	Equinor ASA	7 061	5 530	
103 400	Exxon Mobil Corp.	10 967	9 629	
605 717	Galp Energia SGPS S.A.	9 235	13 021	
332 700	Gran Tierra Energy Inc.	1 459	991	
123 200	Hess Corp.	8 547	6 809	
374 900	Kelt Exploration Ltd.	2 525	1 740	
41 900	Marathon Petroleum Corp.	3 698	3 375	
74 200	MEG Energy Corp.	795	572	
583 500	Nuvista Energy Ltd.	3 491	2 381	
399 900	Parex Resources Inc.	6 055	6 538	
28 700	Phillips 66 Company	3 584	3 375	
25 000	Pioneer Natural Resources Co.	5 368	4 489	
4 000 000	Renaissance Oil Corp.	1 000	620	
4 000 000	Renaissance Oil Corp., Warrants @ 0.50 March 2, 2021	—	135	
443 000	Royal Dutch Shell Plc., A Shares	16 675	17 801	
249 600	Suncor Energy Inc.	10 625	9 517	
215 400	Total S.A.	15 545	15 510	
119 800	Tourmaline Oil Corp.	2 681	2 034	
19 500	Valero Energy Corp.	2 169	1 996	
		174 266	169 213	88.4
TOTAL GLOBAL EQUITIES		186 843	174 647	91.2

Par Value (000s)	Security	Cost	Fair Value	% of Net Assets
SHORT-TERM INVESTMENTS[†]				
8 610	Bank of Montreal	\$ 8 596	\$ 8 596	
3 240	Bank of Nova Scotia	3 235	3 235	
2 580	Canadian Imperial Bank of Commerce	2 575	2 575	
1 190	Toronto-Dominion Bank	1 188	1 188	
TOTAL SHORT-TERM INVESTMENTS		15 594	15 594	8.1
TOTAL INVESTMENTS		202 437	190 241	99.3
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	3 362	1.8
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(2 724)	(1.4)
TOTAL PORTFOLIO		\$ 202 437	190 879	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			567	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 191 446		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 30 000 Sold CAD 346 @ 86.6800	08-Jan-2019	\$ 28
Bought JPY 37 000 Sold CAD 418 @ 88.4620	08-Jan-2019	43
Bought SEK 3 532 Sold CAD 523 @ 6.7470	11-Jan-2019	21
Bought USD 4 385 Sold CAD 5 695 @ 0.7700	14-Jan-2019	289
Bought USD 3 482 Sold CAD 4 557 @ 0.7642	16-Jan-2019	195
Bought EUR 250 Sold USD 284 @ 0.8808	17-Jan-2019	4
Bought EUR 400 Sold USD 457 @ 0.8758	17-Jan-2019	3
Bought USD 10 222 Sold GBP 7 734 @ 1.3217	17-Jan-2019	486
Bought USD 4 454 Sold EUR 3 823 @ 1.1650	17-Jan-2019	92
Bought CAD 2 956 Sold NOK 18 635 @ 0.1586	23-Jan-2019	12
Bought GBP 2 255 Sold CAD 3 795 @ 0.5942	23-Jan-2019	131
Bought NOK 23 535 Sold CAD 3 695 @ 6.3692	23-Jan-2019	23
Bought USD 2 950 Sold CAD 3 855 @ 0.7652	23-Jan-2019	170
Bought GBP 350 Sold CAD 599 @ 0.5841	24-Jan-2019	10
Bought EUR 5 071 Sold CAD 7 631 @ 0.6645	25-Jan-2019	312
Bought GBP 8 252 Sold CAD 13 899 @ 0.5937	25-Jan-2019	468
Bought JPY 30 000 Sold CAD 348 @ 86.2986	25-Jan-2019	26
Bought USD 2 332 Sold CAD 3 018 @ 0.7726	30-Jan-2019	163
Bought GBP 1 875 Sold CAD 3 211 @ 0.5840	31-Jan-2019	54
Bought USD 12 339 Sold CAD 16 109 @ 0.7660	04-Feb-2019	721
Bought EUR 353 Sold CAD 537 @ 0.6576	13-Feb-2019	17
Bought GBP 50 Sold CAD 85 @ 0.5881	13-Feb-2019	2
Bought USD 422 Sold CAD 555 @ 0.7597	25-Feb-2019	20
Bought JPY 27 000 Sold CAD 323 @ 83.4840	06-Mar-2019	14
Bought USD 1 635 Sold CAD 2 171 @ 0.7533	11-Mar-2019	58
		\$ 3 362

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 798 Sold JPY 67 000 @ 0.0119	08-Jan-2019	\$ (37)
Bought CAD 2 301 Sold USD 1 800 @ 1.2786	11-Jan-2019	(155)
Bought CAD 510 Sold SEK 3 532 @ 0.1444	11-Jan-2019	(34)
Bought CAD 1 121 Sold USD 850 @ 1.3192	11-Jan-2019	(39)
Bought CAD 1 755 Sold USD 1 310 @ 1.3397	11-Jan-2019	(33)
Bought CAD 2 875 Sold USD 2 164 @ 1.3288	14-Jan-2019	(78)
Bought CAD 161 Sold USD 120 @ 1.3392	14-Jan-2019	(3)
Bought CAD 533 Sold USD 400 @ 1.3337	14-Jan-2019	(12)
Bought CAD 1 610 Sold EUR 1 080 @ 1.4907	16-Jan-2019	(81)
Bought CAD 560 Sold EUR 370 @ 1.5141	16-Jan-2019	(19)
Bought GBP 7 734 Sold USD 9 944 @ 0.7777	17-Jan-2019	(108)
Bought CAD 730 Sold USD 570 @ 1.2808	18-Jan-2019	(48)
Bought CAD 170 Sold GBP 100 @ 1.7008	22-Jan-2019	(4)
Bought CAD 3 826 Sold GBP 2 270 @ 1.6856	23-Jan-2019	(126)
Bought CAD 766 Sold NOK 4 900 @ 0.1563	23-Jan-2019	(8)
Bought CAD 246 Sold JPY 21 000 @ 0.0117	24-Jan-2019	(16)
Bought CAD 254 Sold GBP 150 @ 1.6917	24-Jan-2019	(7)
Bought CAD 4 646 Sold EUR 3 100 @ 1.4987	25-Jan-2019	(210)
Bought CAD 454 Sold USD 350 @ 1.2981	25-Jan-2019	(23)
Bought CAD 298 Sold EUR 200 @ 1.4923	25-Jan-2019	(15)
Bought CAD 598 Sold EUR 400 @ 1.4958	25-Jan-2019	(28)
Bought CAD 13 915 Sold GBP 8 252 @ 1.6862	25-Jan-2019	(453)
Bought CAD 121 Sold EUR 80 @ 1.5067	25-Jan-2019	(5)
Bought CAD 153 Sold EUR 100 @ 1.5256	25-Jan-2019	(4)
Bought CAD 429 Sold JPY 36 000 @ 0.0119	25-Jan-2019	(20)
Bought CAD 261 Sold USD 200 @ 1.3068	28-Jan-2019	(11)
Bought USD 4 298 Sold EUR 3 770 @ 1.1401	30-Jan-2019	(44)
Bought CAD 697 Sold GBP 410 @ 1.7009	31-Jan-2019	(17)
Bought CAD 509 Sold GBP 300 @ 1.6977	31-Jan-2019	(13)
Bought CAD 1 809 Sold USD 1 386 @ 1.3048	01-Feb-2019	(82)
Bought CAD 391 Sold USD 300 @ 1.3050	01-Feb-2019	(18)
Bought CAD 16 170 Sold USD 12 339 @ 1.3105	04-Feb-2019	(660)
Bought CAD 854 Sold USD 652 @ 1.3098	05-Feb-2019	(35)
Bought CAD 1 467 Sold USD 1 100 @ 1.3334	11-Feb-2019	(33)
Bought CAD 3 893 Sold USD 2 974 @ 1.3089	12-Feb-2019	(163)
Bought CAD 345 Sold GBP 200 @ 1.7263	21-Feb-2019	(3)
Bought CAD 368 Sold USD 280 @ 1.3127	21-Feb-2019	(14)
Bought CAD 1 059 Sold GBP 625 @ 1.6948	01-Mar-2019	(30)
Bought CAD 667 Sold USD 500 @ 1.3349	05-Mar-2019	(14)
Bought CAD 817 Sold GBP 475 @ 1.7190	06-Mar-2019	(11)
Bought CAD 144 Sold EUR 94 @ 1.5353	12-Mar-2019	(3)
Bought CAD 335 Sold USD 250 @ 1.3406	21-Mar-2019	(7)
		\$ (2 724)
TOTAL FOREIGN EXCHANGE		\$ 638

All counterparties have a credit rating of at least A.

* Illiquid security.

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, and are grouped by issuer, earn interest at rates ranging from 2.12% to 2.28% and mature between January 9, 2019 and January 31, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 190 241	\$ 249 304
Cash	421	397
Subscriptions receivable	375	62
Unrealized gain on foreign exchange contracts	3 362	710
Dividends receivable, interest accrued and other assets	218	293
TOTAL ASSETS	194 617	250 766
LIABILITIES		
Due to investment dealers	–	1 150
Redemptions payable	138	229
Unrealized loss on foreign exchange contracts	2 724	967
Accounts payable and accrued expenses	309	397
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	3 171	2 743
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 191 446	\$ 248 023
Investments at cost	\$ 202 437	\$ 220 971
NAV		
SERIES A	\$ 137 133	\$ 184 851
ADVISOR SERIES	\$ 3 428	\$ 4 810
SERIES D	\$ 31 099	\$ 42 245
SERIES F	\$ 19 488	\$ 16 116
SERIES O	\$ 298	\$ 1
NAV PER UNIT		
SERIES A	\$ 32.89	\$ 38.29
ADVISOR SERIES	\$ 33.19	\$ 38.61
SERIES D	\$ 36.39	\$ 41.99
SERIES F	\$ 39.61	\$ 45.58
SERIES O	\$ 8.36	\$ 9.53

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 5 597	\$ 3 899
Interest for distribution purposes	144	82
Derivative income	1 550	(3 909)
Net realized gain (loss) on investments	7 540	(13 979)
Change in unrealized gain (loss) on investments	(39 634)	(26 156)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(24 803)	(40 063)
Other income (loss)	3	–
Securities lending revenue (see note 7 in the generic notes)	81	124
Net gain (loss) on foreign cash balances	(62)	(389)
TOTAL OTHER INCOME (LOSS)	22	(265)
TOTAL INCOME (LOSS)	(24 781)	(40 328)
EXPENSES (see notes – Fund Specific Information)		
Management fees	3 646	4 076
Administration fees	440	485
Independent Review Committee costs	2	3
GST/HST	381	428
Transaction costs	335	793
Withholding tax	772	397
TOTAL EXPENSES	5 576	6 182
INCREASE (DECREASE) IN NAV	\$ (30 357)	\$ (46 510)
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (22 114)	\$ (36 755)
ADVISOR SERIES	\$ (558)	\$ (955)
SERIES D	\$ (4 541)	\$ (6 960)
SERIES F	\$ (3 084)	\$ (1 840)
SERIES O	\$ (60)	\$ –
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (4.97)	\$ (7.04)
ADVISOR SERIES	\$ (5.01)	\$ (7.14)
SERIES D	\$ (5.01)	\$ (6.64)
SERIES F	\$ (7.17)	\$ (6.06)
SERIES O	\$ (3.78)	\$ (1.30)

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (30 357)	\$ (46 510)
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(7 162)	14 713
Change in unrealized loss (gain) on investments	39 634	26 156
(Increase) decrease in accrued receivables	75	(234)
Increase (decrease) in accrued payables	(88)	(139)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(333 873)	(591 746)
Proceeds from sale and maturity of investments	358 419	624 505
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	26 648	26 745
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	27 054	27 940
Cash paid on redemption of redeemable units	(53 678)	(54 402)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (26 624)	\$ (26 462)
Net increase (decrease) in cash for the period	24	283
Cash (bank overdraft), beginning of period	397	114
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 421	\$ 397
Interest received (paid)	\$ 137	\$ 83
Dividends received, net of withholding taxes	\$ 4 910	\$ 3 267

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 184 851	\$ 249 695	\$ 4 810	\$ 6 374	\$ 42 245	\$ 50 986	\$ 16 116	\$ 13 872
INCREASE (DECREASE) IN NAV	(22 114)	(36 755)	(558)	(955)	(4 541)	(6 960)	(3 084)	(1 840)
Early redemption fees	—	—	—	—	1	2	—	—
Proceeds from redeemable units issued	12 034	12 779	974	1 216	12 996	14 112	9 854	6 751
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(37 638)	(40 868)	(1 798)	(1 825)	(19 602)	(15 895)	(3 398)	(2 667)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(25 604)	(28 089)	(824)	(609)	(6 605)	(1 781)	6 456	4 084
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(47 718)	(64 844)	(1 382)	(1 564)	(11 146)	(8 741)	3 372	2 244
NAV AT END OF PERIOD	\$ 137 133	\$ 184 851	\$ 3 428	\$ 4 810	\$ 31 099	\$ 42 245	\$ 19 488	\$ 16 116

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1	\$ —	\$ 248 023	\$ 320 927
INCREASE (DECREASE) IN NAV	(60)	—	(30 357)	(46 510)
Early redemption fees	—	—	1	2
Proceeds from redeemable units issued	610	11	36 468	34 869
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(253)	(10)	(62 689)	(61 265)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	357	1	(26 220)	(26 394)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	297	1	(56 577)	(72 904)
NAV AT END OF PERIOD	\$ 298	\$ 1	\$ 191 446	\$ 248 023

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

Series O units were started February 27, 2017.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Oil, Gas and Consumable Fuels	88.4	86.5
Energy Equipment and Services	1.6	6.1
Metals and Mining	1.2	3.9
Cash/Other	8.8	3.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	53.0	69.9
Euro	9.4	4.7
Pound sterling	9.3	8.3
Norwegian krone	2.9	0.9
Australian dollar	–	2.3
Japanese yen	–	1.5
Other currencies	–	0.1
Total	74.6	87.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.7% (December 31, 2017 – 4.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Index – Energy (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	122 650	51 997	–	174 647
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	15 594	–	15 594
Derivatives – assets	–	3 362	–	3 362
Derivatives – liabilities	–	(2 724)	–	(2 724)
Total financial instruments	122 650	68 229	–	190 879
% of total portfolio	64.3	35.7	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	189 814	55 449	–	245 263
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	4 041	–	4 041
Derivatives – assets	–	710	–	710
Derivatives – liabilities	–	(967)	–	(967)
Total financial instruments	189 814	59 233	–	249 047
% of total portfolio	76.2	23.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	100	100
Value of all units	1	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	35 566
Non-capital losses	1 878
Non-capital losses expire in:	
2037	1 548
2036	330

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	4 828	5 565
Issued number of units	309	334
Reinvested number of units	—	—
Redeemed number of units	(968)	(1 071)
Ending number of units	4 169	4 828

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Advisor Series		
Opening units	125	141
Issued number of units	23	32
Reinvested number of units	—	—
Redeemed number of units	(45)	(48)
Ending number of units	103	125

Series D		
Opening units	1 006	1 045
Issued number of units	304	343
Reinvested number of units	—	—
Redeemed number of units	(455)	(382)
Ending number of units	855	1 006

Series F		
Opening units	354	263
Issued number of units	212	149
Reinvested number of units	—	—
Redeemed number of units	(74)	(58)
Ending number of units	492	354

Series O		
Opening units	—	—
Issued number of units	64	1
Reinvested number of units	—	—
Redeemed number of units	(28)	(1)
Ending number of units	36	—

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	335	100	793	100
Related-party brokerage commissions*	20	6	23	3
Commission arrangements†	15	4	37	5

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	25 500	56 592
Fair value of collateral received	26 010	57 724



December 31, 2018

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	117	100	176	100
RBC IS (paid)	(30)	(25)	(47)	(27)
Tax withheld	(6)	(6)	(5)	(3)
Fund revenue	81	69	124	70

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	3 362	(2 724)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	3 362	(2 724)
Related amounts not set-off Collateral (received) pledged	(2 050)	2 050
Net amount	1 312	(674)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	710	(967)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	710	(967)
Related amounts not set-off	(592)	592
Collateral (received) pledged	(2)	–
Net amount	116	(375)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL PRECIOUS METALS FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Diversified Metals and Mining				
360 000	Brixton Metals Corp., Warrants @ 0.70 April 4, 2019	\$ —	\$ —	
1 500 000	Bunker Hill Mining Corp., Restricted	2 838	120	
750 000	Bunker Hill Mining Corp., Warrants @ 2.00 December 5, 2020	—	13	
2 450 000	Cordoba Minerals Corp.	2 934	282	
500 000	Cordoba Minerals Corp., Warrants @ 1.08 July 11, 2019	—	—	
1 297 400	Euro Sun Mining Inc.	1 708	623	
2 353 000	Integra Resources Corp.	2 000	1 977	
7 783 500	K92 Mining Inc.	4 737	6 538	
1 666 750	K92 Mining Inc., Warrants @ 0.65 September 5, 2019	—	459	
3 970 000	Orla Mining Ltd.	5 384	4 169	
600 000	Orla Mining Ltd., Warrants @ 0.62 July 8, 2021	45	405	
285 000	Orla Mining Ltd., Warrants @ 2.35 February 15, 2021	—	55	
583 500	Osisko Metals Inc.	434	303	
625 000	Osisko Metals Inc., Warrants @ 1.00 July 18, 2019	—	11	
1 097 666	RB Energy Inc.	1 424	—	
11 700 000	Reunion Gold Corp.	10 404	2 106	
1 093 000	TriMetals Mining Inc.	262	44	
1 666 500	TriMetals Mining Inc., Warrants @ 0.30 December 2, 2019	—	3	
10 000 000	West Kirkland Mining Inc., Warrants @ 0.30 April 17, 2019	—	50	
1 579 000	White Gold Corp.	1 965	2 526	
		34 135	19 684	4.2
Gold				
759 550	Agnico Eagle Mines Ltd.	36 279	41 851	
251 100	Alacer Gold Corp.	701	634	
4 199 606	Alamos Gold Inc., Class A	32 909	20 620	
1 203 500	Algold Resources Ltd.	3 497	445	
1 250 000	Algold Resources Ltd., Warrants @ 0.30 March 24, 2019	—	1	
2 700 000	Antler Gold Inc.	1 260	203	
7 639 200	B2Gold Corp.	27 170	30 480	
6 255 000	Barkerville Gold Mines Ltd.	4 188	2 502	
1 678 400	Barrick Gold Corp.	25 301	30 933	
1 911 765	Bellevue Gold Ltd.	601	756	
27 479 350	Belo Sun Mining Corp.	19 962	10 786	
841 744	Bonterra Resources Inc.	3 030	2 180	
303 000	Bonterra Resources Inc., Restricted March 8, 2019	1 000	763	
1 250 000	Cabral Gold Inc.	750	238	
625 000	Cabral Gold Inc., Warrants @ 0.90 October 30, 2019	—	1	

Holdings	Security	Cost	Fair Value	% of Net Assets
Gold (cont.)				
14 773 079	Cardinal Resources Ltd.	\$ 6 637	\$ 6 247	
1 873 000	Continental Gold Inc.	7 681	4 214	
2 747 881	Dacian Gold Ltd.	7 577	6 611	
1 308 000	Detour Gold Corp.	18 428	15 081	
1 624 144	Endeavour Mining Corp.	28 288	36 283	
13 145 500	Freegold Ventures Ltd.	2 239	854	
2 083 500	Freegold Ventures Ltd., Warrants @ 0.18 September 19, 2019	—	14	
3 500 000	Freegold Ventures Ltd., Warrants @ 0.25 May 20, 2019	—	4	
2 185 000	Golden Predator Mining Corp.	2 779	557	
1 282 300	GT Gold Corp.	1 985	782	
1 120 000	GT Gold Corp., Restricted February 3, 2019	750	662	
1 356 800	IAMGOLD Corporation	8 984	6 798	
22 913 168	IDM Mining Ltd.	2 845	1 375	
9 143 600	Jaguar Mining Inc.	2 988	1 920	
1 313 262	Kirkland Lake Gold Ltd.	14 498	46 752	
2 977 600	Mako Mining Corp.	655	506	
8 453 500	Marathon Gold Corp.	3 701	6 509	
833 335	Metanor Resources Inc., Warrants @ 0.90 March 21, 2019	—	—	
205 000	Metanor Resources Inc., Warrants @ 0.90 April 21, 2019	—	—	
675 600	Newmont Mining Corporation	29 578	31 959	
1 500 000	Northern Star Resources Ltd.	10 740	13 367	
4 792 230	OceanaGold Corp.	16 984	23 865	
150 000	Osisko Gold Royalties Ltd., Warrants @ 36.50 February 18, 2022	—	56	
416 667	Pembroke Copper Corp.* (Private)	750	342	
1 266 730	Rio2 Ltd.	1 200	608	
10 000 000	Scorpio Gold Corp.	6 575	150	
1 530 200	Semafo Inc.	5 776	4 514	
947 000	Skeena Resources Ltd.	474	284	
500 000	Skeena Resources Ltd., Warrants @ 1.00 June 13, 2020	—	17	
112 000	SSR Mining Inc.	1 685	1 848	
1 062 987	Torex Gold Resources Inc.	19 665	13 808	
9 166 600	TriStar Gold Inc.	2 650	1 421	
833 300	TriStar Gold Inc., Warrants @ 0.45 April 28, 2019	—	2	
1 813 000	Troilus Gold Corp.	2 973	1 360	
1 825 000	Troilus Gold Corp., Warrants @ 2.50 November 21, 2020	—	131	
1 500 000	Unigold Inc., Warrants @ 0.45 May 25, 2019	—	9	
5 644 300	Wesdome Gold Mines Ltd.	11 731	25 004	
8 500 000	West African Resources Ltd.	3 013	2 083	
2 611 000	Yamana Gold Inc.	10 043	8 381	
		390 520	406 771	87.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Precious Metals and Minerals				
4 100 000	Aurion Resources Ltd.	\$ 1 619	\$ 4 469	
2 530 000	ECI Exploration and Mining Inc.* (Private)	2 875	—	
1 150 000	ECI Exploration and Mining Inc., Warrants @ 1.80 January 1, 2049* (Private)	—	—	
115 000	ECI Exploration and Mining Inc., Warrants @ 1.80 November 22, 2049* (Private)	—	—	
7 666 000	Sable Resources Ltd.	1 508	1 533	
1 666 500	Sable Resources Ltd., Warrants @ 0.35 September 12, 2021	—	165	
1 975 000	Santacruz Silver Mining Ltd., Warrants @ 0.55 January 14, 2019	—	—	
3 521 365	Shear Diamonds Ltd.	2 160	—	
2 394 750	SilverCrest Metals Inc.	5 041	9 555	
		13 203	15 722	3.4
Silver				
499 600	Americas Silver Corp.	2 112	1 114	
1 166 675	Americas Silver Corp., Warrants @ 0.39 June 14, 2021	—	27	
997 600	MAG Silver Corp.	13 588	9 976	
150 000	Wheaton Precious Metals Corp.	3 817	3 998	
		19 517	15 115	3.2
TOTAL GLOBAL EQUITIES		457 375	457 292	98.1
SHORT-TERM INVESTMENTS†		9 273	9 273	2.0
TOTAL INVESTMENTS		<u>\$ 466 648</u>	466 565	100.1
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(348)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 466 217</u>		100.0

* Illiquid security.

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.21% and mature between January 2, 2019 and January 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 466 565	\$ 554 178
Cash	201	204
Due from investment dealers	297	111
Subscriptions receivable	409	216
Dividends receivable, interest accrued and other assets	240	59
TOTAL ASSETS	467 712	554 768
LIABILITIES		
Redemptions payable	832	564
Accounts payable and accrued expenses	663	835
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 495	1 399
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 466 217	\$ 553 369
Investments at cost	\$ 466 648	\$ 534 515
NAV		
SERIES A	\$ 294 143	\$ 363 596
ADVISOR SERIES	\$ 24 092	\$ 30 010
SERIES D	\$ 100 276	\$ 111 596
SERIES F	\$ 47 007	\$ 47 066
SERIES O	\$ 699	\$ 1 101
NAV PER UNIT		
SERIES A	\$ 31.21	\$ 33.59
ADVISOR SERIES	\$ 31.43	\$ 33.81
SERIES D	\$ 34.51	\$ 36.81
SERIES F	\$ 37.35	\$ 39.73
SERIES O	\$ 36.61	\$ 38.57

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 920	\$ 1 227
Interest for distribution purposes	173	168
Derivative income	(34)	(31)
Net realized gain (loss) on investments	(11 461)	37 062
Change in unrealized gain (loss) on investments	(19 746)	12 115
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(29 148)	50 541
Other income (loss)	2	–
Securities lending revenue		
(see note 7 in the generic notes)	101	191
Net gain (loss) on foreign cash balances	23	26
TOTAL OTHER INCOME (LOSS)	126	217
TOTAL INCOME (LOSS)	(29 022)	50 758
EXPENSES (see notes – Fund Specific Information)		
Management fees	7 115	8 976
Administration fees	836	1 040
Independent Review Committee costs	2	3
GST/HST	765	963
Transaction costs	993	1 699
Withholding tax	75	29
TOTAL EXPENSES	9 786	12 710
INCREASE (DECREASE) IN NAV	\$ (38 808)	\$ 38 048
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (26 869)	\$ 26 189
ADVISOR SERIES	\$ (2 229)	\$ 1 967
SERIES D	\$ (6 656)	\$ 7 771
SERIES F	\$ (2 962)	\$ 2 052
SERIES O	\$ (92)	\$ 69
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (2.65)	\$ 2.28
ADVISOR SERIES	\$ (2.71)	\$ 2.13
SERIES D	\$ (2.29)	\$ 2.55
SERIES F	\$ (2.36)	\$ 1.86
SERIES O	\$ (3.33)	\$ 2.87



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (38 808)	\$ 38 048
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	12 689	(35 419)
Change in unrealized loss (gain) on investments	19 746	(12 115)
(Increase) decrease in accrued receivables	(181)	(47)
Increase (decrease) in accrued payables	(172)	(5)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(386 554)	(970 551)
Proceeds from sale and maturity of investments	441 546	1 007 121
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	48 266	27 032
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	45 755	82 127
Cash paid on redemption of redeemable units	(94 024)	(109 202)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (48 269)	\$ (27 075)
Net increase (decrease) in cash for the period	(3)	(43)
Cash (bank overdraft), beginning of period	204	247
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 201	\$ 204
Interest received (paid)	\$ 165	\$ 179
Dividends received, net of withholding taxes	\$ 1 674	\$ 1 140

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 363 596	\$ 376 847	\$ 30 010	\$ 29 840	\$ 111 596	\$ 102 191	\$ 47 066	\$ 33 318
INCREASE (DECREASE) IN NAV	(26 869)	26 189	(2 229)	1 967	(6 656)	7 771	(2 962)	2 052
Early redemption fees	—	1	—	—	2	1	—	—
Proceeds from redeemable units issued	16 671	28 373	4 280	6 077	20 516	37 684	17 255	21 679
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(59 255)	(67 814)	(7 969)	(7 874)	(25 182)	(36 051)	(14 352)	(9 983)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(42 584)	(39 440)	(3 689)	(1 797)	(4 664)	1 634	2 903	11 696
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(69 453)	(13 251)	(5 918)	170	(11 320)	9 405	(59)	13 748
NAV AT END OF PERIOD	\$ 294 143	\$ 363 596	\$ 24 092	\$ 30 010	\$ 100 276	\$ 111 596	\$ 47 007	\$ 47 066

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 101	\$ 813	\$ 553 369	\$ 543 009
INCREASE (DECREASE) IN NAV	(92)	69	(38 808)	38 048
Early redemption fees	—	—	2	2
Proceeds from redeemable units issued	75	465	58 797	94 278
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(385)	(246)	(107 143)	(121 968)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(310)	219	(48 344)	(27 688)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(402)	288	(87 152)	10 360
NAV AT END OF PERIOD	\$ 699	\$ 1 101	\$ 466 217	\$ 553 369

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.1% (December 31, 2017 – 0.1%) of the NAV of the Fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Gold	87.3	81.9
Diversified Metals and Mining	4.2	7.6
Precious Metals and Minerals	3.4	4.0
Silver	3.2	4.7
Coal and Consumable Fuels	–	0.1
Copper	–	0.5
Cash/Other	1.9	1.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	6.8	4.3
Australian dollar	5.4	1.0
Total	12.2	5.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 0.6% (December 31, 2017 – 0.3%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Global Gold Index	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	428 735	28 215	342	457 292
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	9 273	–	9 273
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	428 735	37 488	342	466 565
% of total portfolio	91.9	8.0	0.1	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	524 047	22 528	342	546 917
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	7 261	–	7 261
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	524 047	29 789	342	554 178
% of total portfolio	94.5	5.4	0.1	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	342	342
Net purchases	—	—
Net sales	(103)	—
Net transfers in (out)	—	—
Realized gains (losses)	103	—
Change in unrealized gains (losses)	—	—
Balance at end of period	342	342
Change in unrealized gains (losses) for Level 3 assets held at end of period	—	—

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – 0.0%).

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.19%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	9	9
Value of all units	—	—

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	305 287
Non-capital losses	32 734
Non-capital losses expire in:	
2038	6 894
2035	3 171
2034	4 987
2033	4 083
2032	13 599

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series A		
Opening units	10 824	11 977
Issued number of units	548	802
Reinvested number of units	—	—
Redeemed number of units	(1 949)	(1 955)
Ending number of units	9 423	10 824
Advisor Series		
Opening units	888	943
Issued number of units	137	172
Reinvested number of units	—	—
Redeemed number of units	(258)	(227)
Ending number of units	767	888



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	3 032	2 989
Issued number of units	621	986
Reinvested number of units	—	—
Redeemed number of units	(747)	(943)
Ending number of units	2 906	3 032
Series F		
Opening units	1 185	905
Issued number of units	477	531
Reinvested number of units	—	—
Redeemed number of units	(403)	(251)
Ending number of units	1 259	1 185
Series O		
Opening units	29	23
Issued number of units	1	12
Reinvested number of units	—	—
Redeemed number of units	(11)	(6)
Ending number of units	19	29

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	993	100	1 699	100
Related-party brokerage commissions*	66	7	71	4
Commission arrangements†	82	8	145	9

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	74 551	38 744
Fair value of collateral received	76 042	39 519

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	158	100	308	100
RBC IS (paid)	(39)	(25)	(83)	(27)
Tax withheld	(18)	(11)	(34)	(11)
Fund revenue	101	64	191	62



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL RESOURCES FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Chemicals				
7 095	Akzo Nobel N.V.	\$ 590	\$ 780	
2 857 144	Beretta Farms Inc.* (Private)	4 000	229	
7 900	Celanese Corp.	1 155	969	
5 500	CF Industries Holdings Inc.	287	326	
14 400	Croda International Plc.	858	1 173	
46 300	DowDuPont Inc.	3 905	3 379	
13 300	Ecolab Inc.	2 517	2 675	
16 500	Linde Plc.	2 789	3 517	
54 013	Nutrien Ltd.	3 724	3 463	
5 400	PPG Industries Inc.	789	754	
2 400	Sherwin-Williams Co.	1 105	1 289	
		21 719	18 554	14.8
Containers and Packaging				
15 200	Ball Corp.	725	954	
		725	954	0.7
Energy Equipment and Services				
28 800	Halliburton Co.	1 450	1 044	
60 199	National Energy Services Reunited Corp.	825	712	
60 199	National Energy Services Reunited Corp., Warrants @ 5.75 June 5, 2022	—	103	
		2 275	1 859	1.5
Metals and Mining				
117 900	Alamos Gold Inc., Class A	1 117	579	
29 700	Agnico Eagle Mines Ltd.	1 624	1 636	
517 100	B2Gold Corp.	1 744	2 063	
279 736	BHP Group Plc.	5 852	8 070	
1 040 000	Cardinal Resources Ltd.	705	466	
62 879	Detour Gold Corp.	671	725	
40 200	Endeavour Mining Corp.	663	898	
104 200	First Quantum Minerals Ltd.	1 555	1 150	
171 700	GT Gold Corp.	308	105	
968 000	K92 Mining Inc.	915	813	
78 900	Kirkland Lake Gold Ltd.	1 925	2 809	
399 100	Marathon Gold Corp.	295	307	
3 520 000	Mongolia Minerals Corp.* (Private)	4 400	—	
100 000	National Manganese, Subscription Receipts* (Private)	103	—	
985 000	Neo Lithium Corp.	1 478	611	
2 861 450	North American Nickel Inc., Warrants @ 0.12 July 21, 2018	—	2	
500 000	PolyMet Mining Corp.	654	554	
132 828	Rio Tinto Plc.	6 044	8 685	
48 000	Teck Resources Ltd., Class B	1 476	1 411	
715 000	Titan Mining Corp.	1 001	787	
		32 530	31 671	25.3

Holdings	Security	Cost	Fair Value	% of Net Assets
Oil, Gas and Consumable Fuels				
33 100	Anadarko Petroleum Corp.	\$ 2 870	\$ 1 981	
500 000	Bukit Energy Inc.* (Private)	500	—	
50 300	Chevron Corp.	7 060	7 472	
19 300	Concho Resources Inc.	2 701	2 708	
76 000	ConocoPhillips	5 240	6 469	
20 000	Continental Resources Inc.	1 384	1 097	
8 700	Diamondback Energy Inc.	1 078	1 102	
47 200	EOG Resources Inc.	5 149	5 620	
82 975	Equinor ASA	3 060	2 403	
52 500	Exxon Mobil Corp.	5 589	4 889	
175 791	Galp Energia SGPS S.A.	3 248	3 779	
65 400	Hess Corp.	5 032	3 615	
20 900	Marathon Petroleum Corp.	1 932	1 684	
48 000	MEG Energy Corp.	513	370	
186 400	Parex Resources Inc.	3 007	3 048	
11 300	Phillips 66 Company	1 388	1 329	
3 300	Pioneer Natural Resources Co.	817	593	
273 300	Royal Dutch Shell Plc., A Shares	10 505	10 982	
118 200	Total S.A.	8 944	8 511	
67 400	Tourmaline Oil Corp.	1 549	1 144	
5 300	Valero Energy Corp.	571	543	
		72 137	69 339	55.4
Paper and Forest Products				
147 100	Conifex Timber Inc.	873	252	
96 506	Interfor Corp.	1 856	1 392	
18 100	West Fraser Timber Co. Ltd.	1 280	1 221	
		4 009	2 865	2.3
TOTAL GLOBAL EQUITIES				
		133 395	125 242	100.0
SHORT-TERM INVESTMENTS†				
		879	879	0.7
TOTAL INVESTMENTS				
		134 274	126 121	100.7
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	188	0.2
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(1 118)	(0.9)
TOTAL PORTFOLIO				
		\$ 134 274	125 191	100.0
OTHER NET ASSETS (LIABILITIES) ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(17)	—
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 125 174		100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 3 Sold JPY 250 @ 0.0115	08-Jan-2019	\$ —
Bought USD 260 Sold CAD 338 @ 0.7700	14-Jan-2019	17
Bought USD 150 Sold CAD 201 @ 0.7462	14-Jan-2019	4
Bought CAD 2 Sold JPY 200 @ 0.0114	15-Jan-2019	—
Bought USD 415 Sold CAD 543 @ 0.7642	16-Jan-2019	23
Bought JPY 2 000 Sold CAD 24 @ 84.9162	22-Jan-2019	1
Bought CAD 471 Sold NOK 2 970 @ 0.1586	23-Jan-2019	2
Bought CAD 16 Sold NOK 100 @ 0.1569	23-Jan-2019	—
Bought NOK 200 Sold CAD 31 @ 6.4758	23-Jan-2019	1
Bought NOK 100 Sold CAD 15 @ 6.4669	23-Jan-2019	—
Bought USD 700 Sold CAD 915 @ 0.7652	23-Jan-2019	40
Bought USD 598 Sold CAD 794 @ 0.7527	23-Jan-2019	21
Bought USD 200 Sold CAD 268 @ 0.7451	23-Jan-2019	4
Bought GBP 100 Sold CAD 168 @ 0.5937	25-Jan-2019	6
Bought USD 100 Sold CAD 133 @ 0.7504	28-Jan-2019	3
Bought CAD 218 Sold USD 160 @ 1.3626	04-Feb-2019	—
Bought USD 300 Sold CAD 399 @ 0.7527	04-Feb-2019	11
Bought EUR 65 Sold CAD 101 @ 0.6430	11-Feb-2019	1
Bought USD 205 Sold CAD 278 @ 0.7376	11-Feb-2019	2
Bought GBP 95 Sold CAD 162 @ 0.5881	13-Feb-2019	4
Bought USD 400 Sold CAD 528 @ 0.7578	13-Feb-2019	18
Bought NOK 150 Sold CAD 23 @ 6.4491	15-Feb-2019	—
Bought EUR 47 Sold CAD 73 @ 0.6445	20-Feb-2019	1
Bought USD 350 Sold CAD 475 @ 0.7364	04-Mar-2019	2
Bought JPY 7 700 Sold CAD 92 @ 83.4840	06-Mar-2019	4
Bought USD 279 Sold CAD 370 @ 0.7533	11-Mar-2019	10
Bought USD 200 Sold CAD 267 @ 0.7478	19-Mar-2019	5
Bought USD 200 Sold CAD 269 @ 0.7438	19-Mar-2019	4
Bought USD 350 Sold CAD 473 @ 0.7405	19-Mar-2019	4
		\$ 188

Contracts	Maturity Date	Unrealized Loss
Bought CAD 417 Sold USD 323 @ 1.2906	04-Jan-2019	\$ (24)
Bought CAD 384 Sold USD 300 @ 1.2786	11-Jan-2019	(26)
Bought CAD 45 Sold USD 35 @ 1.2771	14-Jan-2019	(3)
Bought CAD 1 659 Sold EUR 1 113 @ 1.4907	16-Jan-2019	(83)
Bought CAD 286 Sold USD 220 @ 1.2980	16-Jan-2019	(15)
Bought CAD 167 Sold GBP 100 @ 1.6702	17-Jan-2019	(7)
Bought CAD 58 Sold USD 45 @ 1.2808	18-Jan-2019	(4)
Bought CAD 59 Sold JPY 5 200 @ 0.0113	22-Jan-2019	(6)
Bought CAD 2 658 Sold USD 2 062 @ 1.2891	23-Jan-2019	(155)
Bought CAD 94 Sold GBP 56 @ 1.6830	23-Jan-2019	(3)
Bought CAD 418 Sold USD 320 @ 1.3078	23-Jan-2019	(18)
Bought CAD 102 Sold USD 78 @ 1.3054	24-Jan-2019	(5)
Bought CAD 162 Sold USD 124 @ 1.3082	24-Jan-2019	(7)
Bought CAD 259 Sold USD 200 @ 1.2930	25-Jan-2019	(14)
Bought CAD 325 Sold USD 250 @ 1.2981	25-Jan-2019	(17)
Bought CAD 60 Sold EUR 40 @ 1.4923	25-Jan-2019	(3)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 346 Sold GBP 205 @ 1.6856	25-Jan-2019	\$ (11)
Bought CAD 129 Sold GBP 75 @ 1.7143	28-Jan-2019	(2)
Bought CAD 1 542 Sold USD 1 180 @ 1.3068	28-Jan-2019	(68)
Bought CAD 122 Sold USD 93 @ 1.3110	28-Jan-2019	(5)
Bought CAD 389 Sold USD 300 @ 1.2983	29-Jan-2019	(20)
Bought CAD 3 468 Sold USD 2 652 @ 1.3077	29-Jan-2019	(150)
Bought CAD 2 353 Sold GBP 1 374 @ 1.7124	31-Jan-2019	(40)
Bought CAD 237 Sold USD 182 @ 1.3048	01-Feb-2019	(11)
Bought CAD 886 Sold USD 670 @ 1.3224	01-Feb-2019	(28)
Bought CAD 773 Sold USD 592 @ 1.3055	04-Feb-2019	(35)
Bought CAD 51 Sold EUR 34 @ 1.5022	06-Feb-2019	(2)
Bought CAD 83 Sold GBP 48 @ 1.7269	06-Feb-2019	(1)
Bought CAD 98 Sold USD 75 @ 1.3104	07-Feb-2019	(4)
Bought CAD 134 Sold USD 102 @ 1.3137	08-Feb-2019	(5)
Bought CAD 152 Sold USD 116 @ 1.3065	11-Feb-2019	(7)
Bought CAD 413 Sold USD 310 @ 1.3334	11-Feb-2019	(9)
Bought CAD 2 166 Sold USD 1 655 @ 1.3089	12-Feb-2019	(91)
Bought CAD 245 Sold USD 187 @ 1.3076	13-Feb-2019	(10)
Bought CAD 71 Sold EUR 47 @ 1.5142	20-Feb-2019	(3)
Bought CAD 98 Sold EUR 65 @ 1.5095	21-Feb-2019	(4)
Bought CAD 345 Sold GBP 200 @ 1.7263	21-Feb-2019	(3)
Bought CAD 31 Sold JPY 2 650 @ 0.0118	21-Feb-2019	(2)
Bought CAD 175 Sold NOK 1 120 @ 0.1564	22-Feb-2019	(2)
Bought CAD 91 Sold EUR 60 @ 1.5117	25-Feb-2019	(3)
Bought CAD 559 Sold USD 425 @ 1.3163	25-Feb-2019	(20)
Bought CAD 331 Sold USD 250 @ 1.3253	26-Feb-2019	(10)
Bought CAD 160 Sold GBP 94 @ 1.7022	26-Feb-2019	(4)
Bought CAD 396 Sold USD 300 @ 1.3198	27-Feb-2019	(13)
Bought CAD 204 Sold GBP 120 @ 1.6991	28-Feb-2019	(5)
Bought CAD 2 337 Sold GBP 1 379 @ 1.6948	01-Mar-2019	(66)
Bought CAD 593 Sold GBP 345 @ 1.7190	06-Mar-2019	(8)
Bought CAD 1 282 Sold EUR 835 @ 1.5353	12-Mar-2019	(30)
Bought CAD 632 Sold GBP 374 @ 1.6908	12-Mar-2019	(20)
Bought CAD 17 Sold JPY 1 400 @ 0.0119	12-Mar-2019	(1)
Bought CAD 46 Sold EUR 30 @ 1.5301	14-Mar-2019	(1)
Bought CAD 731 Sold USD 548 @ 1.3348	14-Mar-2019	(15)
Bought CAD 202 Sold USD 150 @ 1.3449	15-Mar-2019	(3)
Bought CAD 768 Sold USD 577 @ 1.3318	20-Mar-2019	(16)
		\$ (1 118)
TOTAL FOREIGN EXCHANGE		\$ (930)

All counterparties have a credit rating of at least A.

* Illiquid security.

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 2.18% to 2.21% and mature on January 14, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 126 121	\$ 162 985
Cash	233	219
Subscriptions receivable	31	587
Unrealized gain on foreign exchange contracts	188	318
Dividends receivable, interest accrued and other assets	147	140
TOTAL ASSETS	126 720	164 249
LIABILITIES		
Due to investment dealers	–	398
Redemptions payable	233	347
Unrealized loss on foreign exchange contracts	1 118	221
Accounts payable and accrued expenses	195	255
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 546	1 221
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 125 174	\$ 163 028
Investments at cost	\$ 134 274	\$ 149 983
NAV		
SERIES A	\$ 85 705	\$ 117 183
ADVISOR SERIES	\$ 4 328	\$ 6 507
SERIES D	\$ 17 543	\$ 22 754
SERIES F	\$ 14 969	\$ 13 369
SERIES O	\$ 2 629	\$ 3 215
NAV PER UNIT		
SERIES A	\$ 31.65	\$ 35.94
ADVISOR SERIES	\$ 31.84	\$ 36.12
SERIES D	\$ 35.33	\$ 39.76
SERIES F	\$ 38.74	\$ 43.48
SERIES O	\$ 37.29	\$ 41.45

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3 950	\$ 2 859
Interest for distribution purposes	46	25
Derivative income	(288)	352
Net realized gain (loss) on investments	5 048	8 888
Change in unrealized gain (loss) on investments	(22 182)	(2 171)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(13 426)	9 953
Other income (loss)	8	–
Securities lending revenue (see note 7 in the generic notes)	58	111
Net gain (loss) on foreign cash balances	(1)	(188)
TOTAL OTHER INCOME (LOSS)	65	(57)
TOTAL INCOME (LOSS)	(13 361)	9 896
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 275	2 525
Administration fees	275	297
Independent Review Committee costs	2	3
GST/HST	253	280
Transaction costs	241	525
Withholding tax	402	253
TOTAL EXPENSES	3 448	3 883
INCREASE (DECREASE) IN NAV	\$ (16 809)	\$ 6 013
INCREASE (DECREASE) IN NAV		
SERIES A	\$ (11 557)	\$ 3 955
ADVISOR SERIES	\$ (543)	\$ 207
SERIES D	\$ (2 353)	\$ 966
SERIES F	\$ (2 005)	\$ 709
SERIES O	\$ (351)	\$ 176
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ (3.93)	\$ 1.11
ADVISOR SERIES	\$ (3.51)	\$ 1.01
SERIES D	\$ (4.35)	\$ 1.53
SERIES F	\$ (5.52)	\$ 2.80
SERIES O	\$ (4.32)	\$ 2.10



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (16 809)	\$ 6 013
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(4 761)	(8 391)
Change in unrealized loss (gain) on investments	22 182	2 171
(Increase) decrease in accrued receivables	(7)	(92)
Increase (decrease) in accrued payables	(60)	(40)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(154 820)	(286 562)
Proceeds from sale and maturity of investments	174 892	308 370
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	20 617	21 469
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	15 193	15 237
Cash paid on redemption of redeemable units	(35 796)	(36 574)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (20 603)	\$ (21 337)
Net increase (decrease) in cash for the period	14	132
Cash (bank overdraft), beginning of period	219	87
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 233	\$ 219
Interest received (paid)	\$ 46	\$ 26
Dividends received, net of withholding taxes	\$ 3 549	\$ 2 513

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D		Series F	
	2018	2017	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 117 183	\$ 132 035	\$ 6 507	\$ 8 275	\$ 22 754	\$ 26 077	\$ 13 369	\$ 8 050
INCREASE (DECREASE) IN NAV	(11 557)	3 955	(543)	207	(2 353)	966	(2 005)	709
Early redemption fees	—	—	—	—	—	—	—	—
Proceeds from redeemable units issued	4 679	9 572	333	643	6 657	4 817	6 950	6 589
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—	—	—
Redemption of redeemable units	(24 600)	(28 379)	(1 969)	(2 618)	(9 515)	(9 106)	(3 345)	(1 979)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(19 921)	(18 807)	(1 636)	(1 975)	(2 858)	(4 289)	3 605	4 610
Distributions from net income	—	—	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(31 478)	(14 852)	(2 179)	(1 768)	(5 211)	(3 323)	1 600	5 319
NAV AT END OF PERIOD	\$ 85 705	\$ 117 183	\$ 4 328	\$ 6 507	\$ 17 543	\$ 22 754	\$ 14 969	\$ 13 369

For the periods ended December 31 (see note 2 in the generic notes)	Series O		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 215	\$ 3 730	\$ 163 028	\$ 178 167
INCREASE (DECREASE) IN NAV	(351)	176	(16 809)	6 013
Early redemption fees	—	—	—	—
Proceeds from redeemable units issued	1 483	672	20 102	22 293
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(1 718)	(1 363)	(41 147)	(43 445)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(235)	(691)	(21 045)	(21 152)
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	(586)	(515)	(37 854)	(15 139)
NAV AT END OF PERIOD	\$ 2 629	\$ 3 215	\$ 125 174	\$ 163 028

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Liquidity risk (%)

Any securities deemed to be illiquid are identified in the Schedule of Investment Portfolio. Illiquid securities represent approximately 0.2% (December 31, 2017 – 0.4%) of the NAV of the Fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Oil, Gas and Consumable Fuels	55.4	46.0
Metals and Mining	25.3	26.6
Chemicals	14.8	16.5
Paper and Forest Products	2.3	1.1
Energy Equipment and Services	1.5	3.2
Containers and Packaging	0.7	2.3
Construction Materials	–	2.7
Cash/Other	–	1.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	33.6	40.1
Pound sterling	17.3	14.3
Euro	7.9	6.4
Norwegian krone	1.4	–
Japanese yen	–	1.2
Other currencies	0.1	0.4
Total	60.3	62.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 3.0% (December 31, 2017 – 3.1%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 0.5	+ or - 0.4

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	80 563	44 450	229	125 242
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	879	–	879
Derivatives – assets	–	188	–	188
Derivatives – liabilities	–	(1 118)	–	(1 118)
Total financial instruments	80 563	44 399	229	125 191
% of total portfolio	64.3	35.5	0.2	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	110 165	50 496	686	161 347
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 638	–	1 638
Derivatives – assets	–	318	–	318
Derivatives – liabilities	–	(221)	–	(221)
Total financial instruments	110 165	52 231	686	163 082
% of total portfolio	67.6	32.0	0.4	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

During the periods ended December 31, 2018 and 2017, the reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	December 31 2018	December 31 2017
Balance at beginning of period	686	829
Net purchases	—	—
Net sales	(51)	—
Net transfers in (out)	—	—
Realized gains (losses)	51	—
Change in unrealized gains (losses)	(457)	(143)
Balance at end of period	229	686
Change in unrealized gains (losses) for Level 3 assets held at end of period	(457)	(143)

The Fund fair values certain of its Level 3 investments (privately held investments) using prior transaction prices (acquisition cost), although the transaction may not have occurred during the current reporting period. As there may not be a secondary market, and/or there are a limited number of investors, the valuations are reviewed utilizing available market information to determine if the carrying value should be adjusted. Such market information may include, but is not limited to, observations of the trading multiples of public companies considered comparable to the private companies being valued, financial or operational information released by the company, and/or news or corporate events that affect the investment. Valuations may be adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the investments being fair valued by the Fund.

As at December 31, 2018, a 5% increase or decrease in the fair valuations using significant unobservable inputs on Level 3 investments would have increased or decreased the Fund's NAV, respectively, by approximately 0.0% (December 31, 2017 – 0.0%).

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%
Series O	n/a*	0.02%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Investments by related parties (\$000s except unit amounts)

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series O	13	13
Value of all units	—	1

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	20 162
Non-capital losses	10 473
Non-capital losses expire in:	
2033	1 990
2032	3 934
2029	1 650
2028	2 899

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series A		
Opening units	3 261	3 820
Issued number of units	131	281
Reinvested number of units	—	—
Redeemed number of units	(684)	(840)
Ending number of units	2 708	3 261
Advisor Series		
Opening units	180	238
Issued number of units	10	19
Reinvested number of units	—	—
Redeemed number of units	(54)	(77)
Ending number of units	136	180



December 31, 2018

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series D		
Opening units	572	688
Issued number of units	164	128
Reinvested number of units	—	—
Redeemed number of units	(239)	(244)
Ending number of units	497	572
Series F		
Opening units	308	195
Issued number of units	157	162
Reinvested number of units	—	—
Redeemed number of units	(79)	(49)
Ending number of units	386	308
Series O		
Opening units	78	96
Issued number of units	33	17
Reinvested number of units	—	—
Redeemed number of units	(41)	(35)
Ending number of units	70	78

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	241	100	525	100
Related-party brokerage commissions*	14	6	13	2
Commission arrangements [†]	1	—	12	2

* See note 8 in the generic notes.

[†] Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	16 113	25 839
Fair value of collateral received	16 435	26 356

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	88	100	172	100
RBC IS (paid)	(21)	(25)	(47)	(27)
Tax withheld	(9)	(10)	(14)	(8)
Fund revenue	58	65	111	65

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Global Resources Class	1.9	1.8

Offsetting financial assets and liabilities (\$000s) (see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	188	(1 118)
Amounts set-off in the		
Statements of Financial Position	—	—
Net amounts presented in the		
Statements of Financial Position	188	(1 118)
Related amounts not set-off	(188)	188
Collateral (received) pledged	—	—
Net amount	—	(930)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	318	(221)
Amounts set-off in the		
Statements of Financial Position	—	—
Net amounts presented in the		
Statements of Financial Position	318	(221)
Related amounts not set-off	(170)	170
Collateral (received) pledged	—	—
Net amount	148	(51)



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC GLOBAL TECHNOLOGY FUND

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Communications Equipment				
2 982	Arista Networks Inc.	\$ 989	\$ 858	
99 236	Cisco Systems Inc.	4 766	5 880	
4 568	Motorola Solutions Inc.	665	717	
		6 420	7 455	4.5
Electronic Equipment and Instruments				
9 603	Amphenol Corp., Class A	979	1 062	
6 917	CDW Corp.	586	765	
27 717	Corning Inc.	1 039	1 143	
8 161	Flir Systems Inc.	546	485	
27 538	Hitachi Ltd.	1 145	997	
1 920	Keyence Corp.	1 056	1 325	
3 470	Murata Manufacturing Co. Ltd.	643	638	
6 302	TE Connectivity Ltd.	685	651	
13 420	Trimble Inc.	603	603	
12 440	Yaskawa Electric Corp.	354	415	
		7 636	8 084	4.9
Entertainment				
6 222	Activision Blizzard Inc.	453	396	
8 963	Electronic Arts Inc.	1 065	966	
7 090	Konami Holdings Corp.	399	425	
6 800	Netflix Inc.	2 592	2 485	
2 430	Nintendo Co. Ltd.	1 059	881	
13 600	The Walt Disney Company	2 085	2 036	
		7 653	7 189	4.4
Equity Real Estate Investment Trusts				
579	Equinix Inc. Real Estate Investment Trust	315	279	
		315	279	0.2
Household Durables				
5 600	Garmin Ltd.	472	484	
6 500	Sony Corp.	427	428	
		899	912	0.6
Interactive Media and Services				
11 944	Alphabet Inc., Class A	14 867	17 054	
43 727	Facebook Inc., Class A	8 672	7 839	
17 400	Match Group Inc.	834	1 016	
7 550	Tencent Holdings Ltd.	286	413	
		24 659	26 322	16.1
Internet and Catalogue Retail				
275	Amazon.com, Inc.	437	564	
1 809	MercadoLibre Inc.	632	723	
		1 069	1 287	0.8

Holdings	Security	Cost	Fair Value	% of Net Assets
IT Services				
15 054	Accenture Plc., Class A	\$ 2 799	\$ 2 897	
5 283	Amadeus IT Group S.A.	379	502	
3 978	Automatic Data Processing Inc.	560	712	
3 625	Capgemini S.A.	445	492	
7 701	Cognizant Technology Solutions Corp., Class A	694	668	
8 231	DXC Technology Co.	858	597	
4 588	Fidelity National Information Services Inc.	485	642	
8 058	Fiserv Inc.	623	809	
4 233	Gartner Inc.	759	739	
5 766	Global Payments Inc.	738	812	
8 209	GoDaddy Inc.	606	735	
13 932	International Business Machines	2 776	2 161	
20 111	Mastercard Inc.	3 717	5 179	
3 932	Paychex Inc.	325	350	
26 509	PayPal Holdings Inc.	2 159	3 046	
3 691	Shopify Inc., Class A	533	697	
6 000	Square Inc., Class A	593	458	
38 044	Visa Inc., Class A	5 147	6 855	
		24 196	28 351	17.3
Machinery				
1 400	FANUC Corp.	412	290	
		412	290	0.2
Semiconductors and Semiconductor Equipment				
16 900	Advanced Micro Devices Inc.	488	426	
5 119	Analog Devices Inc.	525	600	
20 776	Applied Materials Inc.	1 022	929	
5 061	ASML Holding N.V. ADR	954	1 076	
9 911	Broadcom Inc.	2 642	3 441	
18 835	Infineon Technologies AG	472	517	
86 878	Intel Corp.	4 831	5 570	
3 274	Lam Research Corp.	639	609	
28 532	Marvell Technology Group Ltd.	808	631	
4 800	Microchip Technology Inc.	436	472	
20 662	Micron Technology Inc.	1 065	895	
11 741	Nvidia Corp.	2 516	2 140	
4 800	NXP Semiconductor N.V.	577	480	
25 761	QUALCOMM Inc.	2 129	2 001	
24 163	Texas Instruments Inc.	2 651	3 117	
2 840	Tokyo Electron Ltd.	472	436	
2 150	Universal Display Corp.	304	275	
6 000	Xilinx Inc.	682	698	
		23 213	24 313	14.8

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Software				
10 586	Adobe Inc.	\$ 2 163	\$ 3 272	
3 250	Ansys Inc.	522	634	
7 522	Autodesk Inc.	1 063	1 322	
3 146	Ceridian HCM Holding Inc.	99	148	
5 111	Dassault Systèmes S.A.	718	829	
5 277	Globant S.A.	354	406	
6 068	Intuit Inc.	1 175	1 631	
127 364	Microsoft Corp.	12 191	17 677	
16 915	Open Text Corp.	736	753	
45 535	Oracle Corporation	2 663	2 807	
3 700	Oracle Corp. Japan	351	321	
3 149	Palo Alto Networks Inc.	623	810	
3 287	Red Hat Inc.	535	788	
15 989	Salesforce.com Inc.	2 063	2 990	
19 167	SAP SE ADR	2 460	2 605	
5 434	ServiceNow Inc.	900	1 320	
2 214	SynOpsys Inc.	203	255	
8 100	Talend S.A. ADR	438	409	
1 400	VMware Inc.	262	262	
		29 519	39 239	24.0
Technology Hardware, Storage and Peripherals				
69 550	Apple Inc.	12 783	14 996	
8 670	Canon Inc.	351	326	
11 571	Hewlett Packard Enterprise Co.	236	209	
46 693	HP Inc.	1 288	1 304	
3 367	NetApp Inc.	315	274	
6 786	Western Digital Corp.	586	343	
		15 559	17 452	10.7
TOTAL GLOBAL EQUITIES		141 550	161 173	98.5
SHORT-TERM INVESTMENTS*		2 242	2 242	1.4
TOTAL INVESTMENTS		143 792	163 415	99.9
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	1 150	0.7
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)		—	(740)	(0.5)
TOTAL PORTFOLIO		<u>\$ 143 792</u>	<u>163 825</u>	100.1
OTHER NET ASSETS (LIABILITIES)				
ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			(135)	(0.1)
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 163 690</u>	<u>100.0</u>	

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought JPY 60 000 Sold CAD 692 @ 86.6800	08-Jan-2019	\$ 55
Bought USD 220 Sold CAD 288 @ 0.7633	09-Jan-2019	12
Bought USD 141 Sold CAD 180 @ 0.7821	11-Jan-2019	12
Bought USD 165 Sold CAD 218 @ 0.7566	14-Jan-2019	7
Bought EUR 730 Sold CAD 1 088 @ 0.6708	16-Jan-2019	55
Bought JPY 13 000 Sold CAD 153 @ 84.9409	16-Jan-2019	9
Bought USD 400 Sold CAD 519 @ 0.7704	16-Jan-2019	27
Bought USD 117 Sold CAD 153 @ 0.7642	16-Jan-2019	7
Bought EUR 331 Sold CAD 497 @ 0.6663	18-Jan-2019	22
Bought EUR 900 Sold CAD 1 356 @ 0.6637	18-Jan-2019	53
Bought JPY 32 093 Sold CAD 363 @ 88.4800	22-Jan-2019	37
Bought JPY 35 000 Sold CAD 415 @ 84.3639	22-Jan-2019	22
Bought GBP 25 Sold CAD 42 @ 0.5942	23-Jan-2019	1
Bought USD 679 Sold CAD 875 @ 0.7757	23-Jan-2019	51
Bought USD 68 Sold CAD 90 @ 0.7574	23-Jan-2019	3
Bought USD 287 Sold CAD 385 @ 0.7451	23-Jan-2019	6
Bought USD 181 Sold CAD 236 @ 0.7660	24-Jan-2019	11
Bought USD 150 Sold CAD 198 @ 0.7585	24-Jan-2019	7
Bought USD 200 Sold CAD 264 @ 0.7568	24-Jan-2019	9
Bought USD 294 Sold CAD 390 @ 0.7547	24-Jan-2019	12
Bought EUR 245 Sold CAD 367 @ 0.6672	25-Jan-2019	17
Bought EUR 180 Sold CAD 269 @ 0.6701	25-Jan-2019	13
Bought USD 215 Sold CAD 278 @ 0.7734	25-Jan-2019	15
Bought USD 105 Sold CAD 136 @ 0.7704	25-Jan-2019	7
Bought USD 203 Sold CAD 262 @ 0.7755	28-Jan-2019	15
Bought SEK 3 973 Sold CAD 581 @ 6.8409	29-Jan-2019	32
Bought SEK 450 Sold CAD 67 @ 6.7650	29-Jan-2019	3
Bought USD 81 Sold CAD 105 @ 0.7726	30-Jan-2019	6
Bought EUR 330 Sold CAD 501 @ 0.6590	31-Jan-2019	16
Bought GBP 100 Sold CAD 171 @ 0.5840	31-Jan-2019	3
Bought USD 120 Sold CAD 157 @ 0.7647	31-Jan-2019	7
Bought USD 550 Sold CAD 718 @ 0.7664	01-Feb-2019	33
Bought USD 878 Sold CAD 1 146 @ 0.7663	01-Feb-2019	52
Bought AUD 60 Sold CAD 57 @ 1.0614	04-Feb-2019	1
Bought USD 789 Sold CAD 1 030 @ 0.7660	04-Feb-2019	46
Bought USD 240 Sold CAD 314 @ 0.7632	04-Feb-2019	13
Bought EUR 324 Sold CAD 488 @ 0.6644	05-Feb-2019	20
Bought EUR 455 Sold CAD 683 @ 0.6657	06-Feb-2019	30
Bought JPY 69 289 Sold CAD 813 @ 85.2745	06-Feb-2019	52
Bought JPY 83 000 Sold CAD 968 @ 85.7140	08-Feb-2019	68
Bought EUR 150 Sold CAD 226 @ 0.6633	11-Feb-2019	9
Bought USD 115 Sold CAD 150 @ 0.7654	11-Feb-2019	7
Bought USD 300 Sold CAD 407 @ 0.7376	11-Feb-2019	2
Bought JPY 27 339 Sold CAD 319 @ 85.7270	12-Feb-2019	22
Bought USD 1 036 Sold CAD 1 356 @ 0.7640	12-Feb-2019	57
Bought USD 266 Sold CAD 356 @ 0.7482	12-Feb-2019	7
Bought USD 200 Sold CAD 264 @ 0.7578	13-Feb-2019	9
Bought USD 165 Sold CAD 216 @ 0.7642	14-Feb-2019	9
Bought EUR 725 Sold CAD 1 098 @ 0.6604	20-Feb-2019	40
Bought CHF 120 Sold CAD 161 @ 0.7439	21-Feb-2019	6
Bought GBP 15 Sold CAD 26 @ 0.5869	22-Feb-2019	1
Bought SEK 1 700 Sold CAD 249 @ 6.8358	25-Feb-2019	14
Bought SEK 2 000 Sold CAD 296 @ 6.7515	25-Feb-2019	13
Bought GBP 136 Sold CAD 232 @ 0.5875	26-Feb-2019	5

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought EUR 100 Sold CAD 151 @ 0.6612	01-Mar-2019	\$ 6
Bought GBP 45 Sold CAD 76 @ 0.5900	01-Mar-2019	2
Bought USD 500 Sold CAD 667 @ 0.7491	05-Mar-2019	14
Bought CAD 8 Sold HKD 45 @ 0.1710	07-Mar-2019	—
Bought EUR 220 Sold CAD 338 @ 0.6514	12-Mar-2019	8
Bought JPY 8 500 Sold CAD 101 @ 83.9010	12-Mar-2019	5
Bought USD 490 Sold CAD 647 @ 0.7573	12-Mar-2019	21
Bought EUR 571 Sold CAD 870 @ 0.6560	13-Mar-2019	24
Bought AUD 70 Sold CAD 67 @ 1.0391	15-Mar-2019	—
Bought USD 117 Sold CAD 157 @ 0.7438	19-Mar-2019	2
		\$ 1 150

Contracts	Maturity Date	Unrealized Loss
Bought CAD 246 Sold USD 190 @ 1.2940	08-Jan-2019	\$ (13)
Bought CAD 16 Sold USD 12 @ 1.3192	11-Jan-2019	(1)
Bought CAD 345 Sold USD 270 @ 1.2771	14-Jan-2019	(24)
Bought CAD 1 429 Sold USD 1 100 @ 1.2987	14-Jan-2019	(73)
Bought CAD 426 Sold JPY 36 400 @ 0.0117	16-Jan-2019	(27)
Bought CAD 463 Sold EUR 300 @ 1.5444	16-Jan-2019	(6)
Bought CAD 32 Sold HKD 190 @ 0.1676	22-Jan-2019	(1)
Bought CAD 352 Sold JPY 30 000 @ 0.0117	24-Jan-2019	(22)
Bought CAD 1 047 Sold USD 802 @ 1.3053	24-Jan-2019	(47)
Bought CAD 670 Sold USD 505 @ 1.3272	24-Jan-2019	(19)
Bought CAD 301 Sold EUR 200 @ 1.5045	25-Jan-2019	(12)
Bought CAD 787 Sold USD 600 @ 1.3117	25-Jan-2019	(32)
Bought CAD 393 Sold USD 300 @ 1.3109	28-Jan-2019	(16)
Bought CAD 400 Sold USD 300 @ 1.3326	28-Jan-2019	(9)
Bought CAD 1 058 Sold USD 800 @ 1.3224	01-Feb-2019	(33)
Bought CAD 26 Sold HKD 155 @ 0.1670	04-Feb-2019	(1)
Bought CAD 33 Sold HKD 193 @ 0.1707	04-Feb-2019	(1)
Bought CAD 152 Sold HKD 900 @ 0.1684	08-Feb-2019	(5)
Bought CAD 344 Sold USD 258 @ 1.3334	11-Feb-2019	(8)
Bought CAD 816 Sold USD 620 @ 1.3168	12-Feb-2019	(29)
Bought CAD 366 Sold JPY 30 000 @ 0.0122	12-Feb-2019	(8)
Bought CAD 101 Sold HKD 601 @ 0.1685	14-Feb-2019	(4)
Bought CAD 146 Sold USD 110 @ 1.3253	20-Feb-2019	(4)
Bought CAD 381 Sold USD 290 @ 1.3127	21-Feb-2019	(15)
Bought CAD 87 Sold USD 66 @ 1.3155	22-Feb-2019	(3)
Bought CAD 937 Sold USD 712 @ 1.3163	25-Feb-2019	(34)
Bought CAD 321 Sold USD 240 @ 1.3373	25-Feb-2019	(6)
Bought CAD 170 Sold USD 128 @ 1.3265	28-Feb-2019	(5)
Bought CAD 3 295 Sold USD 2 500 @ 1.3181	01-Mar-2019	(113)
Bought CAD 934 Sold USD 700 @ 1.3345	04-Mar-2019	(20)
Bought CAD 380 Sold USD 280 @ 1.3579	04-Mar-2019	(1)

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 320 Sold USD 241 @ 1.3276	11-Mar-2019	\$ (9)
Bought CAD 3 806 Sold USD 2 845 @ 1.3378	19-Mar-2019	(71)
Bought CAD 2 845 Sold USD 2 122 @ 1.3406	21-Mar-2019	(47)
Bought CAD 1 919 Sold USD 1 423 @ 1.3486	25-Mar-2019	(21)
		\$ (740)

TOTAL FOREIGN EXCHANGE

\$ 410

All counterparties have a credit rating of at least A.

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.21% and mature between January 2, 2019 and January 16, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 163 415	\$ 99 459
Cash	23	46
Due from investment dealers	—	514
Subscriptions receivable	174	614
Unrealized gain on foreign exchange contracts	1 150	260
Dividends receivable, interest accrued and other assets	53	21
TOTAL ASSETS	164 815	100 914
LIABILITIES		
Due to investment dealers	—	1 239
Redemptions payable	154	118
Unrealized loss on foreign exchange contracts	740	191
Accounts payable and accrued expenses	231	146
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 125	1 694
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 163 690	\$ 99 220
Investments at cost	\$ 143 792	\$ 80 255
NAV		
SERIES A	\$ 72 444	\$ 51 790
ADVISOR SERIES	\$ 4 949	\$ 3 140
SERIES D	\$ 62 006	\$ 37 351
SERIES F	\$ 24 291	\$ 6 939
NAV PER UNIT		
SERIES A	\$ 5.45	\$ 5.20
ADVISOR SERIES	\$ 5.57	\$ 5.31
SERIES D	\$ 6.08	\$ 5.75
SERIES F	\$ 6.81	\$ 6.42

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 747	\$ 1 034
Interest for distribution purposes	91	18
Income from investment trusts	70	—
Derivative income	(613)	(65)
Net realized gain (loss) on investments	1 286	1 163
Change in unrealized gain (loss) on investments	760	15 482
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	3 341	17 632
Other income (loss)	18	—
Securities lending revenue (see note 7 in the generic notes)	14	12
Net gain (loss) on foreign cash balances	(25)	13
TOTAL OTHER INCOME (LOSS)	7	25
TOTAL INCOME (LOSS)	3 348	17 657
EXPENSES (see notes – Fund Specific Information)		
Management fees	2 058	1 049
Administration fees	268	129
Independent Review Committee costs	2	3
GST/HST	238	121
Transaction costs	28	21
Withholding tax	247	121
TOTAL EXPENSES	2 841	1 444
INCREASE (DECREASE) IN NAV	\$ 507	\$ 16 213
INCREASE (DECREASE) IN NAV		
SERIES A	\$ 1 173	\$ 9 510
ADVISOR SERIES	\$ 51	\$ 574
SERIES D	\$ 43	\$ 5 366
SERIES F	\$ (760)	\$ 763
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES A	\$ 0.10	\$ 1.09
ADVISOR SERIES	\$ 0.07	\$ 1.14
SERIES D	\$ —	\$ 1.13
SERIES F	\$ (0.32)	\$ 1.28



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 507	\$ 16 213
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 259)	(1 140)
Change in unrealized loss (gain) on investments	(760)	(15 482)
(Increase) decrease in accrued receivables	(32)	1
Increase (decrease) in accrued payables	85	68
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(241 064)	(113 392)
Proceeds from sale and maturity of investments	178 061	80 863
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(64 462)	(32 869)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	128 068	54 790
Cash paid on redemption of redeemable units	(63 629)	(21 970)
Distributions paid to holders of redeemable units	—	—
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 64 439	\$ 32 820
Net increase (decrease) in cash for the period	(23)	(49)
Cash (bank overdraft), beginning of period	46	95
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 23	\$ 46
Interest received (paid)	\$ 89	\$ 18
Dividends received, net of withholding taxes	\$ 1 499	\$ 915

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series A		Advisor Series		Series D	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 51 790	\$ 31 513	\$ 3 140	\$ 1 889	\$ 37 351	\$ 14 538
INCREASE (DECREASE) IN NAV	1 173	9 510	51	574	43	5 366
Early redemption fees	—	1	—	—	7	2
Proceeds from redeemable units issued	41 711	19 616	2 582	1 160	66 784	31 646
Reinvestments of distributions to holders of redeemable units	—	—	—	—	—	—
Redemption of redeemable units	(22 230)	(8 850)	(824)	(483)	(42 179)	(14 201)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	19 481	10 767	1 758	677	24 612	17 447
Distributions from net income	—	—	—	—	—	—
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—	—	—
NET INCREASE (DECREASE) IN NAV	20 654	20 277	1 809	1 251	24 655	22 813
NAV AT END OF PERIOD	\$ 72 444	\$ 51 790	\$ 4 949	\$ 3 140	\$ 62 006	\$ 37 351

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Total	
	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 6 939	\$ 1 718	\$ 99 220	\$ 49 658
INCREASE (DECREASE) IN NAV	(760)	763	507	16 213
Early redemption fees	1	—	8	3
Proceeds from redeemable units issued	22 549	5 028	133 626	57 450
Reinvestments of distributions to holders of redeemable units	—	—	—	—
Redemption of redeemable units	(4 438)	(570)	(69 671)	(24 104)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	18 112	4 458	63 963	33 349
Distributions from net income	—	—	—	—
Distributions from net gains	—	—	—	—
Distributions from capital	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	—	—
NET INCREASE (DECREASE) IN NAV	17 352	5 221	64 470	49 562
NAV AT END OF PERIOD	\$ 24 291	\$ 6 939	\$ 163 690	\$ 99 220

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Software	24.0	24.6
IT Services	17.3	15.4
Interactive Media and Services	16.1	–
Semiconductors and Semiconductor Equipment	14.8	17.5
Technology Hardware, Storage and Peripherals	10.7	11.4
Electronic Equipment and Instruments	4.9	5.2
Communications Equipment	4.5	4.6
Entertainment	4.4	–
Internet and Catalogue Retail	0.8	–
Household Durables	0.6	–
Equity Real Estate Investment Trusts	0.2	–
Machinery	0.2	–
Internet Software and Services	–	18.5
Internet and Direct Marketing Retail	–	0.3
Cash/Other	1.5	2.5
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	86.0	85.9
Euro	6.0	5.3
Japanese yen	5.7	6.8
Swedish krona	0.8	–
Pound sterling	–	0.6
Other currencies	0.5	0.7
Total	99.0	99.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Index – Information Technology (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	151 938	9 235	–	161 173
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 242	–	2 242
Derivatives – assets	–	1 150	–	1 150
Derivatives – liabilities	–	(740)	–	(740)
Total financial instruments	151 938	11 887	–	163 825
% of total portfolio	92.7	7.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	89 326	7 750	–	97 076
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	2 383	–	2 383
Derivatives – assets	–	260	–	260
Derivatives – liabilities	–	(191)	–	(191)
Total financial instruments	89 326	10 202	–	99 528
% of total portfolio	89.7	10.3	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series A	1.75%	0.20%
Advisor Series	1.75%	0.15%
Series D	1.00%	0.15%
Series F	0.75%	0.15%

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	59 078
Non-capital losses	557
Non-capital losses expire in:	
2038	87
2031	360
2028	110

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017

Series A

Opening units	9 970	7 754
Issued number of units	7 207	4 085
Reinvested number of units	–	–
Redeemed number of units	(3 878)	(1 869)
Ending number of units	13 299	9 970

Advisor Series

Opening units	591	455
Issued number of units	439	233
Reinvested number of units	–	–
Redeemed number of units	(141)	(97)
Ending number of units	889	591

Series D

Opening units	6 497	3 261
Issued number of units	10 323	5 935
Reinvested number of units	–	–
Redeemed number of units	(6 625)	(2 699)
Ending number of units	10 195	6 497

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	1 081	346
Issued number of units	3 112	832
Reinvested number of units	–	–
Redeemed number of units	(625)	(97)
Ending number of units	3 568	1 081

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	28	100	21	100
Related-party brokerage commissions*	–	–	1	5
Commission arrangements†	4	14	7	33

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	14 687		9 052	
Fair value of collateral received	14 981		9 233	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	20	100	20	100
RBC IS (paid)	(5)	(25)	(6)	(30)
Tax withheld	(1)	(5)	(2)	(10)
Fund revenue	14	70	12	60



December 31, 2018

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	1 150	(740)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	1 150	(740)
Related amounts not set-off	(586)	586
Collateral (received) pledged	–	–
Net amount	564	(154)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	260	(191)
Amounts set-off in the		
Statements of Financial Position	–	–
Net amounts presented in the		
Statements of Financial Position	260	(191)
Related amounts not set-off	(151)	151
Collateral (received) pledged	–	–
Net amount	109	(40)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE SHORT-TERM INCOME POOL

December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CORPORATE						
1 500	407 International Inc.	2.470	08-Sep-2022	\$ 1 500	\$ 1 475	
1 300	Alimentation Couche-Tard Inc.	3.319	01-Nov-2019	1 356	1 307	
2 500	AltaGas Ltd.	3.720	28-Sep-2021	2 501	2 516	
5 600	Bank of Montreal	3.400	23-Apr-2021	6 016	5 688	
9 850	Bank of Montreal	1.610	28-Oct-2021	9 807	9 548	
15 000	Bank of Montreal	2.120	16-Mar-2022	14 559	14 691	
4 250	Bank of Montreal	2.270	11-Jul-2022	4 199	4 170	
9 500	Bank of Nova Scotia	2.130	15-Jun-2020	9 557	9 443	
11 000	Bank of Nova Scotia	2.090	09-Sep-2020	11 049	10 906	
10 000	Bank of Nova Scotia	3.270	11-Jan-2021	10 676	10 115	
8 600	Bank of Nova Scotia	2.873	04-Jun-2021	8 782	8 628	
8 000	Bank of Nova Scotia	1.900	02-Dec-2021	7 998	7 802	
900	Bank of Nova Scotia	1.830	27-Apr-2022	900	872	
10 500	Bank of Nova Scotia	2.360	08-Nov-2022	10 463	10 296	
6 100	Bank of Nova Scotia	2.980	17-Apr-2023	6 098	6 113	
2 000	bcIMC Realty Corp.	2.100	03-Jun-2021	2 035	1 973	
300	Bell Canada	3.250	17-Jun-2020	314	302	
11 000	Bell Canada	2.000	01-Oct-2021	10 979	10 697	
4 000	Bell Canada	3.000	03-Oct-2022	4 177	3 966	
2 500	Bell Canada	3.350	22-Mar-2023	2 541	2 502	
1 500	BMW Canada Inc.	1.780	19-Oct-2020	1 500	1 475	
4 850	BMW Canada Inc.	1.830	15-Jun-2021	4 856	4 733	
2 700	Bruce Power LP	2.844	23-Jun-2021	2 725	2 690	
3 950	Caisse Centrale Desjardins	2.091	17-Jan-2022	3 950	3 867	
10 400	Canadian Credit Card Trust II	1.829	24-Mar-2020	10 408	10 312	
4 000	Canadian Imperial Bank of Commerce	1.660	20-Jan-2020	3 999	3 969	
15 500	Canadian Imperial Bank of Commerce	1.850	14-Jul-2020	15 476	15 330	
6 700	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	6 762	6 579	
8 800	Canadian Imperial Bank of Commerce	1.640	12-Jul-2021	8 663	8 563	
2 000	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	2 000	2 007	
700	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	700	683	
1 600	Canadian Imperial Bank of Commerce	2.470	05-Dec-2022	1 579	1 574	
4 950	Canadian Imperial Bank of Commerce	2.970	11-Jul-2023	4 933	4 959	
2 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	2 000	1 994	
2 000	Canadian Real Estate Investment Trust	2.564	30-Nov-2019	2 002	1 998	
2 500	Canadian Tire Corp. Ltd.	2.646	06-Jul-2020	2 488	2 496	
4 000	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	3 961	3 959	
3 000	Canadian Western Bank	2.377	23-Jan-2020	3 000	2 987	
4 400	Canadian Western Bank	2.751	29-Jun-2020	4 399	4 389	
2 300	Canadian Western Bank	2.881	01-Mar-2021	2 300	2 290	
2 600	Canadian Western Bank	2.788	13-Sep-2021	2 586	2 573	
9 200	Cards II Trust	2.155	15-Oct-2020	9 288	9 121	
2 000	Choice Properties LP	3.000	20-Sep-2019	1 996	2 004	
1 500	Choice Properties LP	3.600	20-Sep-2021	1 591	1 514	
6 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	6 026	5 934	
1 500	Choice Properties Real Estate Investment Trust	3.010	21-Mar-2022	1 500	1 484	
1 800	Daimler Canada Finance Inc.	1.570	25-May-2020	1 800	1 769	
1 400	Daimler Canada Finance Inc.	1.910	08-Jul-2021	1 400	1 363	
6 200	Daimler Canada Finance Inc.	3.050	16-May-2022	6 207	6 187	
800	Daimler Canada Finance Inc.	3.300	16-Aug-2022	800	803	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
1 250	Enbridge Gas Distribution Inc.	4.770	17-Dec-2021	\$ 1 316	\$ 1 321	
1 875	Enbridge Gas Distribution Inc.	6.050	05-Jul-2023	2 101	2 109	
3 700	Enbridge Inc.	4.770	02-Sep-2019	3 982	3 753	
4 800	Enbridge Inc.	3.190	05-Dec-2022	4 874	4 788	
2 000	Enbridge Pipelines Inc.	3.790	17-Aug-2023	2 046	2 057	
2 500	Fairfax Financial Holdings Ltd.	4.500	22-Mar-2023	2 570	2 587	
4 200	Federation des Caisses Desjardins du Quebec	2.394	25-Aug-2022	4 112	4 129	
2 000	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	2 000	2 010	
150	Finning International Inc.	2.840	29-Sep-2021	150	150	
2 000	Ford Credit Canada Co.	3.140	14-Jun-2019	2 000	2 003	
4 100	Ford Credit Canada Co.	2.923	16-Sep-2020	4 100	4 038	
8 500	Ford Credit Canada Co.	2.580	10-May-2021	8 472	8 203	
3 000	Ford Credit Canada Co.	2.710	23-Feb-2022	3 000	2 847	
1 000	Ford Credit Canada Co.	2.766	22-Jun-2022	1 000	943	
2 200	Ford Credit Canada Co.	3.742	08-May-2023	2 200	2 103	
1 800	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	1 800	1 780	
2 000	Genesis Trust II	1.699	15-Apr-2020	2 000	1 979	
6 500	Glacier Credit Card Trust	3.138	20-Sep-2023	6 500	6 532	
3 000	Great-West Lifeco Inc.	4.650	13-Aug-2020	3 350	3 095	
1 600	H&R Real Estate Investment Trust	2.923	06-May-2022	1 587	1 565	
1 500	H&R Real Estate Investment Trust	3.416	23-Jan-2023	1 500	1 477	
6 000	Hollis Receivables Term Trust II	1.788	26-Feb-2020	6 022	5 950	
3 500	Honda Canada Finance Inc.	2.155	18-Feb-2021	3 433	3 453	
600	Honda Canada Finance Inc.	3.176	28-Aug-2023	600	602	
17 500	HSBC Bank Canada	2.938	14-Jan-2020	18 206	17 562	
2 000	HSBC Bank Canada	2.449	29-Jan-2021	2 000	1 984	
3 100	HSBC Bank Canada	2.170	29-Jun-2022	3 077	3 012	
4 150	HSBC Bank Canada	2.542	31-Jan-2023	4 150	4 061	
11 500	HSBC Bank Canada	3.245	15-Sep-2023	11 500	11 544	
4 000	Hydro One Inc.	1.620	30-Apr-2020	4 000	3 952	
3 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	3 149	3 023	
1 655	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	881	24	
4 500	Loblaw Companies Ltd.	4.860	12-Sep-2023	4 741	4 753	
4 500	Manulife Bank of Canada	1.915	01-Sep-2021	4 500	4 392	
1 750	Manulife Bank of Canada	2.844	12-Jan-2023	1 750	1 736	
4 000	Metro Inc.	2.680	05-Dec-2022	4 000	3 909	
18 800	National Bank of Canada	1.742	03-Mar-2020	18 815	18 637	
2 200	National Bank of Canada	1.809	26-Jul-2021	2 130	2 149	
3 850	National Bank of Canada	1.957	30-Jun-2022	3 738	3 736	
1 600	Nissan Canada Financial Services Inc.	2.420	19-Oct-2020	1 600	1 583	
1 000	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	1 000	989	
5 000	Nissan Canada Financial Services Inc.	3.150	14-Sep-2021	5 000	4 999	
2 250	Pembina Pipeline Corp.	4.890	29-Mar-2021	2 330	2 333	
2 000	Pembina Pipeline Corp.	3.770	24-Oct-2022	2 047	2 025	
550	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	550	540	
3 200	Rogers Communications Inc.	4.700	29-Sep-2020	3 542	3 298	
7 400	Rogers Communications Inc.	5.340	22-Mar-2021	8 444	7 763	
19 000	Royal Bank of Canada*	1.920	17-Jul-2020	19 007	18 820	
4 000	Royal Bank of Canada*	2.860	04-Mar-2021	4 190	4 015	
5 000	Royal Bank of Canada*	2.030	15-Mar-2021	5 093	4 931	
12 000	Royal Bank of Canada*	1.583	13-Sep-2021	11 986	11 639	
1 500	Royal Bank of Canada*	2.949	01-May-2023	1 500	1 503	
10 500	Royal Bank of Canada*	3.296	26-Sep-2023	10 517	10 548	
3 470	Shaw Communications Inc.	5.650	01-Oct-2019	3 908	3 544	
6 700	Shaw Communications Inc.	3.150	19-Feb-2021	6 780	6 700	
4 670	Shaw Communications Inc.	3.800	02-Nov-2023	4 670	4 700	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CORPORATE (cont.)						
5 000	Sun Life Financial Inc.	4.570	23-Aug-2021	\$ 5 197	\$ 5 226	
4 200	TELUS Corp.	5.050	23-Jul-2020	4 686	4 344	
3 000	TELUS Corp.	3.200	05-Apr-2021	3 161	3 013	
7 500	TELUS Corp.	2.350	28-Mar-2022	7 376	7 322	
3 500	The Manufacturers Life Insurance Co.	2.811	21-Feb-2024	3 500	3 502	
1 000	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	1 000	990	
2 500	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	2 490	2 508	
2 000	Thomson Reuters Corp.	3.309	12-Nov-2021	2 000	2 020	
11 100	Toronto-Dominion Bank	1.693	02-Apr-2020	11 076	10 992	
9 700	Toronto-Dominion Bank	2.045	08-Mar-2021	9 812	9 577	
3 000	Toronto-Dominion Bank	2.621	22-Dec-2021	3 075	2 989	
12 200	Toronto-Dominion Bank	1.994	23-Mar-2022	12 109	11 909	
14 000	Toronto-Dominion Bank	3.005	30-May-2023	14 004	14 083	
4 000	Toronto-Dominion Bank	1.909	18-Jul-2023	3 912	3 836	
2 200	Toyota Credit Canada Inc.	1.800	19-Feb-2020	2 198	2 182	
3 000	Toyota Credit Canada Inc.	2.050	20-May-2020	3 010	2 977	
2 000	Toyota Credit Canada Inc.	2.020	28-Feb-2022	1 999	1 947	
9 000	Toyota Credit Canada Inc.	2.700	25-Jan-2023	8 916	8 882	
1 250	Union Gas Ltd.	4.850	25-Apr-2022	1 323	1 330	
2 500	VW Credit Canada Inc.	2.150	24-Jun-2020	2 513	2 469	
6 000	VW Credit Canada Inc.	2.900	29-Mar-2021	5 994	5 962	
2 700	VW Credit Canada Inc.	3.700	14-Nov-2022	2 696	2 721	
500	Wells Fargo Canada Corp.	2.944	25-Jul-2019	530	502	
7 800	Wells Fargo Canada Corp.	3.040	29-Jan-2021	8 084	7 836	
				616 579	605 613	47.0
FEDERAL						
25 800	Canada Housing Trust No. 1	1.250	15-Dec-2020	25 526	25 444	
10 000	Canada Housing Trust No. 1	3.350	15-Dec-2020	10 665	10 261	
34 700	Canada Housing Trust No. 1	1.250	15-Jun-2021	34 643	34 048	
50 000	Canada Housing Trust No. 1	2.650	15-Mar-2022	53 858	50 791	
40 000	Canada Housing Trust No. 1	1.750	15-Jun-2022	39 006	39 430	
7 500	Canada Housing Trust No. 1	2.350	15-Sep-2023	7 504	7 522	
6 100	Government of Canada	3.500	01-Jun-2020	6 719	6 241	
28 100	Government of Canada	0.750	01-Sep-2020	27 709	27 598	
16 000	Government of Canada	0.750	01-Mar-2021	16 066	15 625	
12 500	Government of Canada	3.250	01-Jun-2021	13 864	12 906	
10 000	Government of Canada	0.750	01-Sep-2021	9 793	9 712	
25 000	Government of Canada	0.500	01-Mar-2022	23 966	23 951	
10 800	Government of Canada	2.750	01-Jun-2022	11 974	11 112	
12 500	Government of Canada	1.750	01-Mar-2023	12 284	12 432	
22 500	Government of Canada	1.500	01-Jun-2023	22 194	22 137	
17 000	Government of Canada	2.000	01-Sep-2023	16 973	17 088	
				332 744	326 298	25.3
PROVINCIAL/MUNICIPAL						
20 000	Province of Alberta	1.350	01-Sep-2021	19 702	19 556	
5 000	Province of British Columbia	3.700	18-Dec-2020	5 550	5 157	
11 500	Province of British Columbia	3.250	18-Dec-2021	12 327	11 847	
7 250	Province of Manitoba	4.750	11-Feb-2020	8 485	7 468	
24 500	Province of Manitoba	1.550	05-Sep-2021	24 625	24 084	
11 000	Province of New Brunswick	4.500	02-Jun-2020	12 686	11 374	
6 000	Province of New Brunswick	2.850	02-Jun-2023	6 225	6 088	
38 750	Province of Ontario	2.100	08-Sep-2019	39 254	38 795	
44 225	Province of Ontario	4.000	02-Jun-2021	49 328	46 113	
34 200	Province of Ontario	1.350	08-Mar-2022	33 579	33 221	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
PROVINCIAL/MUNICIPAL (cont.)						
6 500	Province of Ontario	3.150	02-Jun-2022	\$ 7 096	\$ 6 673	
27 000	Province of Ontario	2.850	02-Jun-2023	28 080	27 443	
20 000	Province of Ontario	2.600	08-Sep-2023	20 050	20 114	
20 000	Province of Quebec	4.500	01-Dec-2020	21 886	20 910	
36 500	Province of Quebec	3.500	01-Dec-2022	40 149	38 062	
5 000	Province of Quebec	3.000	01-Sep-2023	5 109	5 123	
				334 131	322 028	25.0
TOTAL BONDS				1 283 454	1 253 939	97.3
SHORT-TERM INVESTMENTS[†]				27 025	27 025	2.1
TOTAL INVESTMENTS				\$ 1 310 479	1 280 964	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					7 543	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 1 288 507	100.0

* Investment in related party (see note 8 in the generic notes).

[†] Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.28% and mature between January 2, 2019 and January 31, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 1 280 964	\$ 1 253 535
Cash	168	155
Subscriptions receivable	1 407	1 407
Dividends receivable, interest accrued and other assets	7 018	6 485
TOTAL ASSETS	1 289 557	1 261 582
LIABILITIES		
Redemptions payable	983	669
Distributions payable	1	–
Accounts payable and accrued expenses	66	66
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	1 050	735
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 1 288 507	\$ 1 260 847
Investments at cost	\$ 1 310 479	\$ 1 285 053
NAV		
SERIES F	\$ 14 488	\$ 19 981
SERIES O	\$ 1 274 019	\$ 1 240 866
NAV PER UNIT		
SERIES F	\$ 100.10	\$ 100.68
SERIES O	\$ 100.24	\$ 100.82

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ 29 403	\$ 34 900
Net realized gain (loss) on investments	(8 935)	(8 107)
Change in unrealized gain (loss) on investments	2 003	(19 842)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	22 471	6 951
Securities lending revenue (see note 7 in the generic notes)	132	156
TOTAL OTHER INCOME (LOSS)	132	156
TOTAL INCOME (LOSS)	22 603	7 107
EXPENSES (see notes – Fund Specific Information)		
Management fees	66	76
Administration fees	609	739
Independent Review Committee costs	2	3
GST/HST	67	80
TOTAL EXPENSES	744	898
INCREASE (DECREASE) IN NAV	\$ 21 859	\$ 6 209
INCREASE (DECREASE) IN NAV		
SERIES F	\$ 241	\$ (4)
SERIES O	\$ 21 618	\$ 6 213
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ 1.28	\$ (0.02)
SERIES O	\$ 1.80	\$ 0.44



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 21 859	\$ 6 209
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	8 935	8 107
Change in unrealized loss (gain) on investments	(2 003)	19 842
(Increase) decrease in accrued receivables	(533)	1 838
Increase (decrease) in accrued payables	—	(15)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(1 158 996)	(2 162 724)
Proceeds from sale and maturity of investments	1 124 635	2 501 505
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(6 103)	374 762
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	512 570	514 384
Cash paid on redemption of redeemable units	(479 136)	(857 009)
Distributions paid to holders of redeemable units	(27 318)	(32 149)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 6 116	\$ (374 774)
Net increase (decrease) in cash for the period	13	(12)
Cash (bank overdraft), beginning of period	155	167
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 168	\$ 155
Interest received (paid)	\$ 28 870	\$ 36 738
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 981	\$ 23 147	\$ 1 240 866	\$ 1 606 366	\$ 1 260 847	\$ 1 629 513
INCREASE (DECREASE) IN NAV	241	(4)	21 618	6 213	21 859	6 209
Early redemption fees	—	1	—	—	—	1
Proceeds from redeemable units issued	19 534	16 265	493 646	511 044	513 180	527 309
Reinvestments of distributions to holders of redeemable units	147	155	1 270	1 924	1 417	2 079
Redemption of redeemable units	(25 041)	(19 156)	(455 019)	(850 880)	(480 060)	(870 036)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(5 360)	(2 735)	39 897	(337 912)	34 537	(340 647)
Distributions from net income	(374)	(427)	(28 362)	(33 801)	(28 736)	(34 228)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(374)	(427)	(28 362)	(33 801)	(28 736)	(34 228)
NET INCREASE (DECREASE) IN NAV	(5 493)	(3 166)	33 153	(365 500)	27 660	(368 666)
NAV AT END OF PERIOD	\$ 14 488	\$ 19 981	\$ 1 274 019	\$ 1 240 866	\$ 1 288 507	\$ 1 260 847

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	28.7	26.7
AA	41.7	38.8
A	17.2	21.6
BBB	12.4	12.9
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Corporate Bonds	47.0	43.8
Federal Bonds	25.3	22.9
Provincial Bonds	25.0	30.6
Cash/Other	2.7	2.7
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	5.5	5.4
1 – 5 years	93.9	89.1
5 – 10 years	0.6	5.5
> 10 years	–	–
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.6% (December 31, 2017 – 2.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Please see the generic notes at the back of the financial statements.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 253 939	–	1 253 939
Short-term investments	–	27 025	–	27 025
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 280 964	–	1 280 964
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	1 226 425	–	1 226 425
Short-term investments	–	27 110	–	27 110
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	1 253 535	–	1 253 535
% of total portfolio	–	100.0	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.35%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	38 056
Non-capital losses	–



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	198	225
Issued number of units	197	158
Reinvested number of units	1	2
Redeemed number of units	(251)	(187)
Ending number of units	145	198
Series O		
Opening units	12 307	15 608
Issued number of units	4 937	4 995
Reinvested number of units	13	19
Redeemed number of units	(4 548)	(8 315)
Ending number of units	12 709	12 307

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	265 706	170 225
Fair value of collateral received	272 407	174 222

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	176	100	217	100
RBC IS (paid)	(44)	(25)	(61)	(28)
Tax withheld	—	—	—	—
Fund revenue	132	75	156	72

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE CANADIAN CORPORATE BOND POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
34 080	Bank of Montreal, Preferred Series 40, 4.500%	\$ 852	\$ 766	
4 300	BCE Inc., Preferred Series AQ, 4.250%	85	91	
38 000	Canadian Imperial Bank of Commerce, Preferred Series 45, 4.400%	950	844	
400 000	Canadian Imperial Bank of Commerce, Preferred Series 47, 4.500%	10 000	8 400	
22 500	Element Fleet Management Corp., Preferred Series A, 6.600%	480	466	
3 000	Element Fleet Management Corp., Preferred Series E, 6.400%	62	58	
13 500	Element Fleet Management Corp., Preferred Series G, 6.500%	282	292	
32 500	Enbridge Inc., Preferred Series 1, 4.000%	989	932	
26 200	Enbridge Inc., Preferred Series 5, 4.400%	765	687	
22 500	Enbridge Inc., Preferred Series 11, 4.400%	386	375	
16 425	Enbridge Inc., Preferred Series 13, 4.400%	285	275	
45 290	Enbridge Inc., Preferred Series 17, 5.150%	1 132	1 120	
30 000	Enbridge Inc., Preferred Series F, 4.000%	635	528	
20 500	Enbridge Inc., Preferred Series L, 4.000%	608	536	
120 700	Enbridge Inc., Preferred Series N, 4.000%	2 298	2 238	
27 600	Enbridge Inc., Preferred Series P, 4.000%	583	449	
10 575	Fortis Inc., Preferred Series G, 5.250%	242	200	
35 000	National Bank of Canada, Preferred Series 38, 4.450%	875	775	
95 000	National Bank of Canada, Preferred Series 40, 4.600%	2 375	2 007	
150 000	Toronto-Dominion Bank, Preferred Series 18, 4.700%	3 750	3 338	
TOTAL CANADIAN EQUITIES		27 634	24 377	2.5

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
2 500	407 International Inc.	3.350	16-May-2024	\$ 2 497	\$ 2 560	
9 000	407 International Inc.	5.750	14-Feb-2036	9 783	11 148	
5 000	407 International Inc.	4.450	15-Nov-2041	4 994	5 496	
7 000	407 International Inc.	3.830	11-May-2046	6 989	7 054	
2 500	407 International Inc.	3.720	11-May-2048	2 500	2 473	
859	Aéroports de Montréal	6.950	16-Apr-2032	1 047	1 096	
5 500	Aéroports de Montréal	5.670	16-Oct-2037	6 007	7 145	
3 500	Aéroports de Montréal	3.918	12-Jun-2045	3 500	3 694	
4 300	AIMCo Realty Investors LP	3.043	01-Jun-2028	4 300	4 223	
2 700	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	2 700	2 612	
334	Alliance Pipeline LP	6.765	31-Dec-2025	334	379	
1 421	Alliance Pipeline LP	7.217	31-Dec-2025	1 421	1 645	
4 623	AltaGas Ltd.	3.720	28-Sep-2021	4 674	4 652	
3 500	AltaGas Ltd.	3.570	12-Jun-2023	3 497	3 456	
3 250	AltaGas Ltd.	4.400	15-Mar-2024	3 307	3 310	
4 000	AltaGas Ltd.	3.840	15-Jan-2025	4 197	3 943	
5 500	AltaLink LP	3.668	06-Nov-2023	5 721	5 720	
3 000	AltaLink LP	2.747	29-May-2026	3 000	2 954	
4 000	AltaLink LP	4.462	08-Nov-2041	4 297	4 427	
6 000	Bank of Montreal	1.880	31-Mar-2021	6 069	5 896	
7 000	Bank of Montreal	3.400	23-Apr-2021	7 165	7 109	
10 000	Bank of Montreal	1.610	28-Oct-2021	9 913	9 693	
6 000	Bank of Montreal	2.120	16-Mar-2022	5 998	5 876	
3 000	Bank of Montreal	2.890	20-Jun-2023	2 999	2 998	
4 000	Bank of Montreal	3.190	01-Mar-2028	3 997	4 006	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS (cont.)						
8 500	Bank of Nova Scotia	2.090	09-Sep-2020	\$ 8 543	\$ 8 427	
7 000	Bank of Nova Scotia	3.270	11-Jan-2021	7 133	7 081	
10 000	Bank of Nova Scotia	1.830	27-Apr-2022	9 996	9 685	
3 000	Bank of Nova Scotia	2.980	17-Apr-2023	2 999	3 006	
8 000	Bank of Nova Scotia	2.290	28-Jun-2024	8 000	7 719	
3 500	Bank of Nova Scotia	3.100	02-Feb-2028	3 499	3 479	
1 000	BC Tel	10.650	19-Jun-2021	1 537	1 175	
4 125	BC Tel	9.650	08-Apr-2022	5 567	4 915	
3 000	bclMC Realty Corp.	3.000	31-Mar-2027	3 000	2 966	
4 000	Bell Canada	2.000	01-Oct-2021	3 985	3 890	
7 200	Bell Canada	3.000	03-Oct-2022	7 171	7 139	
7 000	Bell Canada	3.350	22-Mar-2023	7 103	7 005	
4 000	Bell Canada	2.700	27-Feb-2024	3 995	3 862	
7 500	Bell Canada	3.550	02-Mar-2026	7 623	7 450	
5 000	Bell Canada	6.100	16-Mar-2035	5 330	5 892	
7 000	Bell Canada	4.750	29-Sep-2044	7 095	6 993	
7 500	Brookfield Infrastructure Finance ULC	3.315	22-Feb-2024	7 542	7 333	
4 000	Brookfield Infrastructure Finance ULC	4.193	11-Sep-2028	4 000	3 961	
2 000	Brookfield Renewable Energy Partners ULC	5.140	13-Oct-2020	1 999	2 070	
4 500	Brookfield Renewable Energy Partners ULC	3.752	02-Jun-2025	4 572	4 452	
2 000	Brookfield Renewable Energy Partners ULC	3.630	15-Jan-2027	1 999	1 919	
1 650	Brookfield Renewable Energy Partners ULC	5.840	05-Nov-2036	1 671	1 810	
1 700	Bruce Power LP	2.844	23-Jun-2021	1 700	1 694	
7 250	Canadian Imperial Bank of Commerce	1.900	26-Apr-2021	7 300	7 119	
2 400	Canadian Imperial Bank of Commerce	2.900	14-Sep-2021	2 400	2 408	
10 000	Canadian Imperial Bank of Commerce	2.040	21-Mar-2022	9 997	9 762	
5 000	Canadian Natural Resources Ltd.	2.890	14-Aug-2020	5 000	4 985	
3 000	Canadian Pacific Railway Ltd.	5.100	14-Jan-2022	2 992	3 199	
3 500	Canadian Real Estate Investment Trust	4.323	15-Jan-2021	3 524	3 578	
3 000	Canadian Real Estate Investment Trust	2.951	18-Jan-2023	3 000	2 934	
2 500	Canadian Tire Corp. Ltd.	3.167	06-Jul-2023	2 500	2 474	
4 000	Canadian Utilities Ltd.	9.400	01-May-2023	5 769	5 036	
5 000	Canadian Western Bank	2.751	29-Jun-2020	5 000	4 987	
2 600	Canadian Western Bank	2.881	01-Mar-2021	2 600	2 589	
2 600	Canadian Western Bank	2.788	13-Sep-2021	2 600	2 573	
1 400	CCL Industries Inc.	3.864	13-Apr-2028	1 400	1 403	
6 000	Choice Properties LP	3.600	20-Sep-2021	6 037	6 056	
5 000	Choice Properties LP	3.600	20-Sep-2022	5 242	5 030	
8 000	Choice Properties Real Estate Investment Trust	2.297	14-Sep-2020	8 026	7 912	
3 000	Choice Properties Real Estate Investment Trust	3.556	09-Sep-2024	3 000	2 956	
1 250	Choice Properties Real Estate Investment Trust	3.546	10-Jan-2025	1 250	1 227	
3 000	CT Real Estate Investment Trust	2.159	01-Jun-2021	2 993	2 932	
1 000	CT Real Estate Investment Trust	3.469	16-Jun-2027	1 000	952	
3 600	Daimler Canada Finance Inc.	3.050	16-May-2022	3 599	3 592	
2 000	Dollarama Inc.	2.203	10-Nov-2022	2 000	1 912	
4 000	Emera Inc.	2.900	16-Jun-2023	3 882	3 925	
3 500	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	3 499	3 534	
2 500	Enbridge Gas Distribution Inc.	2.500	05-Aug-2026	2 498	2 383	
8 400	Enbridge Gas Distribution Inc.	5.210	25-Feb-2036	9 393	9 824	
1 000	Enbridge Inc.	3.190	05-Dec-2022	1 000	997	
4 200	Enbridge Inc.	3.200	08-Jun-2027	4 198	3 999	
5 000	Enbridge Inc.	5.570	14-Nov-2035	5 514	5 469	
6 000	Enbridge Inc.	4.570	11-Mar-2044	6 023	5 787	
1 800	Enbridge Inc.	5.375	27-Sep-2077	1 800	1 663	
1 500	Enbridge Pipelines Inc.	4.450	06-Apr-2020	1 634	1 532	
2 000	Enbridge Pipelines Inc.	3.000	10-Aug-2026	2 000	1 933	
3 000	Enbridge Pipelines Inc.	4.130	09-Aug-2046	2 999	2 813	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS (cont.)						
2 600	EnerCare Solutions Inc.	4.600	03-Feb-2020	\$ 2 731	\$ 2 642	
2 500	Enmax Corp.	3.805	05-Dec-2024	2 500	2 577	
1 000	EPCOR Utilities Inc.	3.554	27-Nov-2047	1 000	961	
8 000	Fairfax Financial Holdings Ltd.	6.400	25-May-2021	8 339	8 606	
5 470	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	5 416	5 361	
2 000	Federation des Caisses Desjardins du Quebec	3.056	11-Sep-2023	2 000	2 010	
2 444	First Capital Realty Inc.	4.430	31-Jan-2022	2 466	2 519	
6 800	Ford Credit Canada Co.	2.923	16-Sep-2020	6 800	6 696	
4 600	Ford Credit Canada Co.	2.580	10-May-2021	4 612	4 440	
2 000	Ford Credit Canada Co.	2.766	22-Jun-2022	2 000	1 887	
5 000	Ford Credit Canada Co.	3.742	08-May-2023	5 000	4 779	
3 000	Fortis Inc.	2.850	12-Dec-2023	2 999	2 958	
7 000	FortisAlberta Inc.	6.220	31-Oct-2034	9 107	9 048	
3 000	FortisAlberta Inc.	4.110	29-Sep-2044	2 999	3 143	
4 000	FortisBC Energy Inc.	2.580	08-Apr-2026	3 993	3 891	
7 000	FortisBC Energy Inc.	5.900	26-Feb-2035	7 861	8 870	
1 500	FortisBC Energy Inc.	5.550	25-Sep-2036	1 531	1 862	
3 000	FortisBC Energy Inc.	3.375	13-Apr-2045	3 000	2 812	
1 000	FortisBC Energy Inc.	3.690	30-Oct-2047	999	986	
4 000	General Motors Financial of Canada Ltd.	3.080	22-May-2020	3 998	3 991	
3 000	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	2 999	2 967	
3 500	General Motors Financial of Canada Ltd.	2.600	01-Jun-2022	3 496	3 360	
8 000	Genworth MI Canada Inc.	5.680	15-Jun-2020	8 266	8 276	
4 500	George Weston Ltd.	4.115	17-Jun-2024	4 500	4 578	
2 300	Glacier Credit Card Trust	2.048	20-Sep-2022	2 300	2 227	
1 500	Government of Canada	2.000	01-Jun-2028	1 468	1 505	
4 000	Government of Canada	2.750	01-Dec-2048	4 353	4 498	
5 000	Greater Toronto Airports Authority	7.100	04-Jun-2031	6 479	6 898	
6 000	Greater Toronto Airports Authority	6.980	15-Oct-2032	8 761	8 355	
5 050	Greater Toronto Airports Authority	6.470	02-Feb-2034	6 351	6 795	
3 400	Greater Toronto Airports Authority	3.260	01-Jun-2037	3 398	3 294	
2 000	Great-West Lifeco Inc.	4.650	13-Aug-2020	2 239	2 064	
5 000	Great-West Lifeco Inc.	6.740	24-Nov-2031	6 282	6 526	
2 500	H&R Real Estate Investment Trust	4.450	02-Mar-2020	2 684	2 542	
4 700	H&R Real Estate Investment Trust	2.923	06-May-2022	4 677	4 598	
5 000	HSBC Bank Canada	2.908	29-Sep-2021	5 000	4 997	
4 500	HSBC Bank Canada	2.170	29-Jun-2022	4 500	4 373	
5 000	Husky Energy Inc.	3.600	10-Mar-2027	4 989	4 806	
5 000	Hydro One Inc.	6.930	01-Jun-2032	5 988	6 653	
7 000	Hydro One Inc.	5.360	20-May-2036	8 473	8 332	
8 000	Hydro One Inc.	6.030	03-Mar-2039	11 475	10 395	
5 000	Hydro One Inc.	3.720	18-Nov-2047	5 000	4 849	
1 000	Hydro One Inc.	3.630	25-Jun-2049	1 000	950	
5 000	Inter Pipeline Ltd.	3.448	20-Jul-2020	5 091	5 038	
6 000	Inter Pipeline Ltd.	4.967	02-Feb-2021	6 456	6 220	
3 000	Inter Pipeline Ltd.	4.637	30-May-2044	3 000	2 845	
1 250	Ivanhoe Cambridge II Inc.	2.909	27-Jun-2023	1 250	1 250	
1 000	Keyera Corp.	3.934	21-Jun-2028	1 000	985	
6 000	Loblaw Companies Ltd.	4.860	12-Sep-2023	6 510	6 338	
3 800	Loblaw Companies Ltd.	6.450	09-Feb-2028	4 151	4 471	
5 000	Loblaw Companies Ltd.	6.050	09-Jun-2034	5 314	5 762	
9 050	Loblaw Companies Ltd.	5.900	18-Jan-2036	9 398	10 316	
3 000	Manulife Bank of Canada	1.915	01-Sep-2021	3 000	2 928	
3 500	Manulife Bank of Canada	2.844	12-Jan-2023	3 500	3 472	
5 000	Manulife Financial Corporation	5.059	15-Dec-2041	5 101	5 384	
1 860	Metro Inc.	3.390	06-Dec-2027	1 859	1 781	
8 000	National Bank of Canada	1.809	26-Jul-2021	8 007	7 815	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS (cont.)						
8 600	National Bank of Canada	2.105	18-Mar-2022	\$ 8 600	\$ 8 411	
6 000	National Bank of Canada	1.957	30-Jun-2022	6 000	5 822	
1 000	Nissan Canada Financial Services Inc.	2.606	05-Mar-2021	1 000	989	
2 400	North West Redwater Partnership	3.200	22-Jul-2024	2 396	2 393	
3 500	North West Redwater Partnership	2.800	01-Jun-2027	3 491	3 317	
2 800	North West Redwater Partnership	4.150	01-Jun-2033	2 793	2 860	
3 946	Nova Gas Transmission Ltd.	9.900	16-Dec-2024	5 117	5 282	
2 950	Nova Scotia Power Inc.	3.612	01-May-2045	2 950	2 771	
3 000	Pembina Pipeline Corp.	4.890	29-Mar-2021	3 000	3 111	
2 730	Pembina Pipeline Corp.	2.990	22-Jan-2024	2 711	2 655	
4 000	Pembina Pipeline Corp.	3.540	03-Feb-2025	3 998	3 957	
6 000	Pembina Pipeline Corp.	4.240	15-Jun-2027	6 005	6 105	
1 000	Pembina Pipeline Corp.	4.750	30-Apr-2043	998	958	
1 600	Power Corp of Canada	4.455	27-Jul-2048	1 600	1 608	
1 000	RioCan Real Estate Investment Trust	2.194	09-Apr-2021	1 000	980	
1 100	RioCan Real Estate Investment Trust	3.209	29-Sep-2023	1 100	1 080	
6 500	Rogers Communications Inc.	4.700	29-Sep-2020	6 754	6 699	
7 000	Rogers Communications Inc.	5.340	22-Mar-2021	7 715	7 344	
5 000	Rogers Communications Inc.	4.000	13-Mar-2024	4 985	5 129	
6 000	Rogers Communications Inc.	6.110	25-Aug-2040	7 051	7 076	
6 500	Royal Bank of Canada*	2.860	04-Mar-2021	6 852	6 524	
6 000	Royal Bank of Canada*	2.030	15-Mar-2021	6 110	5 917	
2 000	Royal Bank of Canada*	1.968	02-Mar-2022	1 943	1 951	
5 500	Royal Bank of Canada*	2.000	21-Mar-2022	5 499	5 364	
4 000	Royal Bank of Canada*	4.930	16-Jul-2025	3 999	4 452	
5 500	Shaw Communications Inc.	3.150	19-Feb-2021	5 494	5 500	
6 000	Shaw Communications Inc.	4.350	31-Jan-2024	6 009	6 178	
6 500	Shaw Communications Inc.	6.750	09-Nov-2039	7 278	7 753	
5 000	SmartCentres Real Estate Investment Trust	2.876	21-Mar-2022	5 000	4 910	
5 000	Sun Life Financial Inc.	5.400	29-May-2042	4 995	5 753	
2 500	Suncor Energy Inc.	3.100	26-Nov-2021	2 492	2 510	
4 000	Suncor Energy Inc.	5.390	26-Mar-2037	3 575	4 567	
7 800	TELUS Corp.	3.600	26-Jan-2021	8 259	7 902	
5 000	TELUS Corp.	2.350	28-Mar-2022	4 979	4 881	
2 500	TELUS Corp.	3.750	17-Jan-2025	2 684	2 526	
2 650	TELUS Corp.	3.625	01-Mar-2028	2 622	2 599	
10 000	TELUS Corp.	4.400	01-Apr-2043	9 999	9 359	
1 000	TELUS Corp.	4.400	29-Jan-2046	998	930	
3 400	TELUS Corp.	4.700	06-Mar-2048	3 448	3 319	
4 000	Teranet Holdings LP	4.807	16-Dec-2020	4 332	4 114	
1 000	The Manufacturers Life Insurance Co.	2.389	05-Jan-2026	1 000	990	
6 000	The Manufacturers Life Insurance Co.	3.181	22-Nov-2027	6 000	6 020	
2 000	Toronto Hydro Corp.	4.080	16-Sep-2044	1 999	2 115	
6 000	Toronto-Dominion Bank	2.563	24-Jun-2020	6 060	6 003	
10 000	Toronto-Dominion Bank	2.621	22-Dec-2021	10 261	9 964	
7 000	Toronto-Dominion Bank	1.909	18-Jul-2023	7 000	6 713	
7 000	Toronto-Dominion Bank	3.226	24-Jul-2024	7 175	7 100	
1 000	Toyota Credit Canada Inc.	2.200	25-Feb-2021	998	988	
2 400	Toyota Credit Canada Inc.	1.750	21-Jul-2021	2 396	2 337	
4 000	Toyota Credit Canada Inc.	2.020	28-Feb-2022	3 999	3 895	
2 000	TransCanada PipeLines Ltd.	3.690	19-Jul-2023	2 000	2 042	
6 000	TransCanada PipeLines Ltd.	3.300	17-Jul-2025	5 992	5 976	
9 700	TransCanada PipeLines Ltd.	5.650	20-Jun-2029	11 154	10 752	
4 000	TransCanada PipeLines Ltd.	4.550	15-Nov-2041	3 943	3 949	
4 000	Union Gas Ltd.	8.650	10-Nov-2025	5 602	5 303	
2 000	Union Gas Ltd.	6.050	02-Sep-2038	1 996	2 598	
2 000	Union Gas Ltd.	5.200	23-Jul-2040	1 990	2 376	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
CANADIAN BONDS (cont.)						
2 100	Union Gas Ltd.	4.880	21-Jun-2041	\$ 2 545	\$ 2 404	
1 300	Union Gas Ltd.	4.200	02-Jun-2044	1 278	1 363	
4 000	VW Credit Canada Inc.	2.150	24-Jun-2020	3 957	3 950	
4 500	VW Credit Canada Inc.	3.700	14-Nov-2022	4 493	4 535	
5 000	Wells Fargo Canada Corp.	3.040	29-Jan-2021	4 998	5 023	
5 409	Wells Fargo Canada Corp.	3.460	24-Jan-2023	5 736	5 500	
2 500	Westcoast Energy Inc.	3.120	05-Dec-2022	2 517	2 504	
4 500	Westcoast Energy Inc.	6.750	15-Dec-2027	5 074	5 481	
TOTAL CANADIAN BONDS				902 294	900 882	94.3
FOREIGN BONDS						
United Kingdom						
1 500	Aviva Plc. CAD	4.500	10-May-2021	1 495	1 537	
6 000	HSBC Holdings Plc. CAD	3.196	05-Dec-2023	6 000	5 929	
				7 495	7 466	0.8
United States						
6 338	Everest Reinsurance Holdings Inc.	6.600	15-May-2037	6 926	7 636	
2 500	Lehman Brothers Holdings Inc. CAD	4.730	01-Jun-2011	1 313	36	
4 000	Lincoln National Corp.	6.050	20-Apr-2067	4 484	4 270	
				12 723	11 942	1.2
TOTAL FOREIGN BONDS				20 218	19 408	2.0
TOTAL BONDS				922 512	920 290	96.3
SHORT-TERM INVESTMENTS[†]				1 635	1 635	0.2
TOTAL INVESTMENTS				951 781	946 302	99.0
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	628	0.1
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				—	(963)	(0.1)
TOTAL PORTFOLIO				\$ 951 781	945 967	99.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					9 346	1.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 955 313	100.0

The accompanying notes are an integral part of the financial statements.



December 31, 2018

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 120 Sold CAD 158 @ 0.7574	23-Jan-2019	\$ 5
Bought USD 3 150 Sold CAD 4 174 @ 0.7547	24-Jan-2019	124
Bought USD 200 Sold CAD 268 @ 0.7461	05-Feb-2019	5
Bought USD 5 637 Sold CAD 7 378 @ 0.7640	12-Feb-2019	309
Bought USD 3 072 Sold CAD 4 016 @ 0.7650	12-Feb-2019	173
Bought USD 100 Sold CAD 134 @ 0.7482	12-Feb-2019	3
Bought USD 200 Sold CAD 272 @ 0.7364	04-Mar-2019	1
Bought USD 300 Sold CAD 401 @ 0.7487	19-Mar-2019	8
		<u>\$ 628</u>

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 640 Sold USD 485 @ 1.3192	11-Jan-2019	\$ (22)
Bought CAD 889 Sold USD 695 @ 1.2789	17-Jan-2019	(60)
Bought CAD 338 Sold USD 260 @ 1.3016	22-Jan-2019	(16)
Bought CAD 518 Sold USD 402 @ 1.2891	23-Jan-2019	(30)
Bought CAD 4 296 Sold USD 3 291 @ 1.3054	24-Jan-2019	(194)
Bought CAD 1 207 Sold USD 921 @ 1.3110	28-Jan-2019	(49)
Bought CAD 259 Sold USD 200 @ 1.2943	30-Jan-2019	(14)
Bought CAD 3 787 Sold USD 2 896 @ 1.3076	31-Jan-2019	(163)
Bought CAD 405 Sold USD 310 @ 1.3050	01-Feb-2019	(18)
Bought CAD 416 Sold USD 319 @ 1.3055	04-Feb-2019	(19)
Bought CAD 752 Sold USD 574 @ 1.3098	05-Feb-2019	(31)
Bought CAD 626 Sold USD 478 @ 1.3104	07-Feb-2019	(26)
Bought CAD 860 Sold USD 655 @ 1.3137	08-Feb-2019	(33)
Bought CAD 131 Sold USD 100 @ 1.3089	12-Feb-2019	(5)
Bought CAD 547 Sold USD 414 @ 1.3217	12-Feb-2019	(17)
Bought CAD 2 966 Sold USD 2 254 @ 1.3157	12-Feb-2019	(108)
Bought CAD 507 Sold USD 380 @ 1.3349	12-Feb-2019	(13)
Bought CAD 386 Sold USD 287 @ 1.3464	12-Feb-2019	(5)
Bought CAD 1 537 Sold USD 1 137 @ 1.3520	12-Feb-2019	(13)
Bought CAD 959 Sold USD 709 @ 1.3523	12-Feb-2019	(8)
Bought CAD 96 Sold USD 73 @ 1.3086	14-Feb-2019	(4)
Bought CAD 546 Sold USD 412 @ 1.3253	20-Feb-2019	(16)
Bought CAD 729 Sold USD 555 @ 1.3127	21-Feb-2019	(28)
Bought CAD 2 068 Sold USD 1 564 @ 1.3221	01-Mar-2019	(64)
Bought CAD 201 Sold USD 150 @ 1.3378	19-Mar-2019	(4)
Bought CAD 235 Sold USD 175 @ 1.3441	25-Mar-2019	(3)
		<u>\$ (963)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (335)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 946 302	\$ 1 360 786
Cash	220	782
Due from investment dealers	2 072	–
Subscriptions receivable	349	1 057
Futures contracts margin receivable	–	37
Unrealized gain on foreign exchange contracts	628	560
Dividends receivable, interest accrued and other assets	8 185	11 096
TOTAL ASSETS	957 756	1 374 318
LIABILITIES		
Due to investment dealers	83	26
Redemptions payable	1 355	537
Unrealized loss on foreign exchange contracts	963	577
Accounts payable and accrued expenses	42	59
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 443	1 199
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 955 313	\$ 1 373 119
Investments at cost	\$ 951 781	\$ 1 326 947
NAV		
SERIES F	\$ 37 003	\$ 51 165
SERIES O	\$ 918 310	\$ 1 321 954
NAV PER UNIT		
SERIES F	\$ 10.85	\$ 11.20
SERIES O	\$ 10.81	\$ 11.16

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 677	\$ 2 004
Interest for distribution purposes	41 385	70 268
Income from investment trusts	137	–
Derivative income	(145)	(587)
Net realized gain (loss) on investments	1 809	14 916
Change in unrealized gain (loss) on investments	(39 636)	(20 272)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	5 227	66 329
Securities lending revenue (see note 7 in the generic notes)	123	128
Net gain (loss) on foreign cash balances	98	2 681
TOTAL OTHER INCOME (LOSS)	221	2 809
TOTAL INCOME (LOSS)	5 448	69 138
EXPENSES (see notes – Fund Specific Information)		
Management fees	200	233
Administration fees	363	635
Independent Review Committee costs	2	3
GST/HST	58	91
Transaction costs	29	50
Withholding tax	(15)	61
TOTAL EXPENSES	637	1 073
INCREASE (DECREASE) IN NAV	\$ 4 811	\$ 68 065
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (46)	\$ 1 504
SERIES O	\$ 4 857	\$ 66 561
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (0.01)	\$ 0.29
SERIES O	\$ 0.05	\$ 0.37

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 4 811	\$ 68 065
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 783)	(14 865)
Change in unrealized loss (gain) on investments	39 636	20 272
(Increase) decrease in accrued receivables	2 911	7 639
Increase (decrease) in accrued payables	(17)	(28)
(Increase) decrease in margin accounts	37	—
Cost of investments purchased	(677 738)	(1 629 572)
Proceeds from sale and maturity of investments	1 052 672	2 504 218
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	420 529	955 729
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	241 309	472 886
Cash paid on redemption of redeemable units	(624 427)	(1 361 207)
Distributions paid to holders of redeemable units	(37 973)	(67 311)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (421 091)	\$ (955 632)
Net increase (decrease) in cash for the period	(562)	97
Cash (bank overdraft), beginning of period	782	685
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 220	\$ 782
 Interest received (paid)	 \$ 44 355	 \$ 77 802
Dividends received, net of withholding taxes	\$ 1 745	\$ 2 049

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 51 165	\$ 59 493	\$ 1 321 954	\$ 2 201 614	\$ 1 373 119	\$ 2 261 107
INCREASE (DECREASE) IN NAV	(46)	1 504	4 857	66 561	4 811	68 065
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	16 730	25 243	224 272	461 508	241 002	486 751
Reinvestments of distributions to holders of redeemable units	576	846	4 589	4 204	5 165	5 050
Redemption of redeemable units	(29 788)	(34 140)	(595 858)	(1 341 353)	(625 646)	(1 375 493)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(12 482)	(8 051)	(366 997)	(875 641)	(379 479)	(883 692)
Distributions from net income	(1 634)	(1 781)	(41 504)	(70 580)	(43 138)	(72 361)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 634)	(1 781)	(41 504)	(70 580)	(43 138)	(72 361)
NET INCREASE (DECREASE) IN NAV	(14 162)	(8 328)	(403 644)	(879 660)	(417 806)	(887 988)
NAV AT END OF PERIOD	\$ 37 003	\$ 51 165	\$ 918 310	\$ 1 321 954	\$ 955 313	\$ 1 373 119

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term returns consisting primarily of interest income and moderate capital growth.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AAA	0.9	3.0
AA	16.8	21.1
A	33.9	32.3
BBB	48.4	43.6
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Canadian Bonds	94.3	94.1
Canadian Equities	2.5	1.5
Foreign Bonds	2.0	2.0
Cash/Other	1.2	2.4
Total	100.0	100.0

Interest rate risk (%)

The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	0.1	1.2
1 – 5 years	47.7	46.6
5 – 10 years	21.0	21.9
> 10 years	31.2	30.3
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 6.2% (December 31, 2017 – 6.4%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	24 377	–	–	24 377
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	920 290	–	920 290
Short-term investments	–	1 635	–	1 635
Derivatives – assets	–	628	–	628
Derivatives – liabilities	–	(963)	–	(963)
Total financial instruments	24 377	921 590	–	945 967
% of total portfolio	2.6	97.4	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	21 104	–	–	21 104
Underlying funds	5 077	–	–	5 077
Fixed-income				
and debt securities	–	1 319 905	–	1 319 905
Short-term investments	–	14 700	–	14 700
Derivatives – assets	–	560	–	560
Derivatives – liabilities	–	(577)	–	(577)
Total financial instruments	26 181	1 334 588	–	1 360 769
% of total portfolio	1.9	98.1	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.40%	0.05%
Series O	n/a*	0.03%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the un-sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the un-sponsored funds ("Ownership").

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
Bloomberg Barclays Capital High Yield Bond SPDR Fund	–	–	0.4	–

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	23 683
Non-capital losses	–

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	4 567	5 295
Issued number of units	1 517	2 234
Reinvested number of units	52	75
Redeemed number of units	(2 727)	(3 037)
Ending number of units	3 409	4 567
Series O		
Opening units	118 445	196 625
Issued number of units	20 448	41 037
Reinvested number of units	419	374
Redeemed number of units	(54 389)	(119 591)
Ending number of units	84 923	118 445

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	29	100	50	100
Related-party brokerage commissions*	2	7	1	2
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	77 598	64 356
Fair value of collateral received	79 150	65 643

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	221	100	216	100
RBC IS (paid)	(55)	(25)	(58)	(27)
Tax withheld	(43)	(19)	(30)	(14)
Fund revenue	123	56	128	59

Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	628	(963)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	628	(963)
Related amounts not set-off	(285)	285
Collateral (received) pledged	–	–
Net amount	343	(678)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	560	(577)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	560	(577)
Related amounts not set-off	(287)	287
Collateral (received) pledged	–	–
Net amount	273	(290)

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE INCOME POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Communication Services				
18 561	BCE Inc.	\$ 495	\$ 1 001	
10 000	Cineplex Inc.	280	254	
28 336	Quebecor Inc., Class B	251	814	
9 895	Rogers Communications Inc., Class B	352	692	
10 578	Shaw Communications Inc., Class B	206	261	
26 000	TELUS Corp.	730	1 177	
		2 314	4 199	5.1
Consumer Discretionary				
3 000	Canadian Tire Corp. Ltd., Class A	498	428	
15 000	Magna International Inc., Class A	698	930	
		1 196	1 358	1.6
Consumer Staples				
1 215	George Weston Ltd.	71	109	
9 001	Loblaw Companies Ltd.	286	550	
7 000	Maple Leaf Foods Inc.	74	191	
11 000	Metro Inc., Class A	469	521	
		900	1 371	1.7
Energy				
38 557	ARC Resources Ltd.	918	312	
33 158	Bonavista Energy Corp.	709	40	
32 892	Canadian Natural Resources Ltd.	1 172	1 083	
22 341	Cenovus Energy Inc.	698	214	
44 669	Enbridge Inc.	1 614	1 894	
20 000	Enerflex Ltd.	296	320	
25 000	Enerplus Corp.	283	266	
17 000	Gibson Energy Inc.	352	318	
9 063	Husky Energy Inc.	242	128	
17 000	Keyera Corp.	448	439	
26 451	Pembina Pipeline Corp.	1 033	1 072	
15 877	PrairieSky Royalty Ltd.	490	281	
24 000	Secure Energy Services Inc.	377	168	
24 900	Suncor Energy Inc.	857	949	
28 339	TransCanada Corp.	1 182	1 382	
12 038	Vermilion Energy Inc.	538	346	
		11 209	9 212	11.2
Financials				
24 000	Bank of Montreal	1 233	2 141	
40 849	Bank of Nova Scotia	2 150	2 780	
22 118	Brookfield Asset Management Inc., Class A	384	1 157	
19 112	Canadian Imperial Bank of Commerce	1 342	1 943	
92 351	Manulife Financial Corporation	1 555	1 789	
18 000	Power Corporation of Canada	515	442	
31 000	Sun Life Financial Inc.	839	1 404	
48 120	Toronto-Dominion Bank	1 478	3 265	
129	Trisura Group Ltd.	3	3	
		9 499	14 924	18.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care				
25 562	Chartwell Retirement Residences Real Estate Investment Trust	\$ 176	\$ 349	
		176	349	0.4
Industrials				
442	Brookfield Business Partners LP	15	18	
20 600	Canadian National Railway Co.	921	2 083	
5 000	Canadian Pacific Railway Ltd.	613	1 211	
9 110	Russel Metals Inc.	184	194	
14 400	SNC-Lavalin Group Inc.	778	661	
		2 511	4 167	5.1
Materials				
18 000	Agnico Eagle Mines Ltd.	624	992	
33 926	Nutrien Ltd.	2 213	2 175	
18 000	Goldcorp Inc.	650	241	
		3 487	3 408	4.1
Real Estate				
46 900	Brookfield Property Partners LP	743	1 033	
41 143	Choice Properties Real Estate Investment Trust	274	474	
		1 017	1 507	1.8
Utilities				
31 000	Algonquin Power & Utilities Corp.	227	426	
6 659	Atco Ltd., Class I, Non-Voting	316	257	
26 300	Boralex Inc., Class A	501	443	
1 737	Brookfield Infrastructure Partners LP	49	82	
11 382	Brookfield Renewable Partners LP	184	402	
14 647	Canadian Utilities Ltd., Class A	334	459	
12 446	Emera Inc.	393	544	
16 000	Fortis Inc.	460	728	
20 900	TransAlta Renewables Inc.	247	217	
		2 711	3 558	4.3
TOTAL EQUITIES		35 020	44 053	53.4

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
CANADIAN BONDS						
1 160	407 International Inc.	5.750	14-Feb-2036	\$ 1 191	\$ 1 437	
1 000	Alimentation Couche-Tard Inc.	3.056	26-Jul-2024	993	967	
1 000	AltaLink LP	4.872	15-Nov-2040	1 168	1 168	
1 200	Bank of Nova Scotia	2.980	17-Apr-2023	1 201	1 203	
800	Bell Canada	3.550	02-Mar-2026	841	795	
1 200	Bell Canada	6.100	16-Mar-2035	1 368	1 414	
650	Calloway Real Estate Investment Trust	3.985	30-May-2023	651	658	
1 200	CCL Industries Inc.	3.864	13-Apr-2028	1 205	1 203	
1 150	Choice Properties Real Estate Investment Trust	3.196	07-Mar-2023	1 192	1 134	
700	Enbridge Gas Distribution Inc.	3.310	11-Sep-2025	700	707	
620	Enbridge Inc.	4.570	11-Mar-2044	637	598	
1 200	Enbridge Inc.	5.375	27-Sep-2077	1 207	1 109	
1 200	Fairfax Financial Holdings Ltd.	4.250	06-Dec-2027	1 157	1 176	
922	First Capital Realty Inc.	4.430	31-Jan-2022	909	950	
900	Ford Credit Canada Co.	2.580	10-May-2021	905	869	
600	General Motors Financial of Canada Ltd.	3.000	26-Feb-2021	600	593	
1 200	Genworth MI Canada Inc.	5.680	15-Jun-2020	1 199	1 241	
1 100	Greater Toronto Airports Authority	5.630	07-Jun-2040	1 502	1 440	
1 100	H&R Real Estate Investment Trust	2.923	06-May-2022	1 091	1 076	
1 150	HSBC Bank Canada	1.816	07-Jul-2020	1 150	1 135	
1 200	Inter Pipeline Ltd.	4.967	02-Feb-2021	1 229	1 244	
1 150	Loblaw Companies Ltd.	6.450	09-Feb-2028	1 195	1 353	
1 000	Metro Inc.	2.680	05-Dec-2022	1 000	977	
1 200	Pembina Pipeline Corp.	4.890	29-Mar-2021	1 255	1 244	
1 200	Penske Truck Leasing Canada Inc.	2.850	07-Dec-2022	1 200	1 178	
1 200	Rogers Communications Inc.	5.340	22-Mar-2021	1 220	1 259	
1 160	Rogers Communications Inc.	6.110	25-Aug-2040	1 300	1 368	
1 000	Shaw Communications Inc.	4.350	31-Jan-2024	1 084	1 030	
1 200	TELUS Corp.	3.350	15-Mar-2023	1 225	1 202	
1 200	Toronto-Dominion Bank	1.994	23-Mar-2022	1 173	1 171	
1 200	TransCanada PipeLines Ltd.	5.650	20-Jun-2029	1 225	1 330	
800	Union Gas Ltd.	6.050	02-Sep-2038	886	1 039	
1 200	Westcoast Energy Inc.	3.120	05-Dec-2022	1 200	1 202	
TOTAL CANADIAN BONDS				36 059	36 470	44.2
UNITED STATES BONDS						
810	Merrill Lynch & Co. Inc. CAD	5.290	30-May-2022	781	809	
TOTAL UNITED STATES BONDS				781	809	1.0
TOTAL BONDS				36 840	37 279	45.2
SHORT-TERM INVESTMENTS*				885	885	1.1
TOTAL INVESTMENTS				\$ 72 745	82 217	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					215	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 82 432	100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.70% and mature on January 2, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 82 217	\$ 92 227
Cash	59	74
Subscriptions receivable	—	300
Dividends receivable, interest accrued and other assets	552	592
TOTAL ASSETS	82 828	93 193
LIABILITIES		
Redemptions payable	42	2
Distributions payable	340	258
Accounts payable and accrued expenses	14	17
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	396	277
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 82 432	\$ 92 916
Investments at cost	\$ 72 745	\$ 74 502
NAV		
SERIES F	\$ 22 761	\$ 28 158
SERIES O	\$ 59 671	\$ 64 758
NAV PER UNIT		
SERIES F	\$ 182.78	\$ 197.95
SERIES O	\$ 181.96	\$ 197.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 760	\$ 1 642
Interest for distribution purposes	1 621	1 556
Income from investment trusts	33	26
Net realized gain (loss) on investments	1 086	1 620
Change in unrealized gain (loss) on investments	(8 253)	525
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(3 753)	5 369
Securities lending revenue (see note 7 in the generic notes)	9	10
Net gain (loss) on foreign cash balances	—	1
TOTAL OTHER INCOME (LOSS)	9	11
TOTAL INCOME (LOSS)	(3 744)	5 380
EXPENSES (see notes – Fund Specific Information)		
Management fees	130	140
Administration fees	44	44
Independent Review Committee costs	2	3
GST/HST	17	17
Transaction costs	6	6
TOTAL EXPENSES	199	210
INCREASE (DECREASE) IN NAV	\$ (3 943)	\$ 5 170
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (1 206)	\$ 1 483
SERIES O	\$ (2 737)	\$ 3 687
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (8.95)	\$ 10.28
SERIES O	\$ (8.12)	\$ 11.50

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 943)	\$ 5 170
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(1 080)	(1 613)
Change in unrealized loss (gain) on investments	8 253	(525)
(Increase) decrease in accrued receivables	40	(30)
Increase (decrease) in accrued payables	(3)	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(136 622)	(143 813)
Proceeds from sale and maturity of investments	139 459	143 659
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6 104	2 848
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	11 324	10 679
Cash paid on redemption of redeemable units	(14 398)	(10 278)
Distributions paid to holders of redeemable units	(3 045)	(3 233)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (6 119)	\$ (2 832)
Net increase (decrease) in cash for the period	(15)	16
Cash (bank overdraft), beginning of period	74	58
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 59	\$ 74
Interest received (paid)	\$ 1 678	\$ 1 537
Dividends received, net of withholding taxes	\$ 1 743	\$ 1 631

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 28 158	\$ 28 400	\$ 64 758	\$ 61 651	\$ 92 916	\$ 90 051
INCREASE (DECREASE) IN NAV	(1 206)	1 483	(2 737)	3 687	(3 943)	5 170
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	303	1 199	10 721	9 784	11 024	10 983
Reinvestments of distributions to holders of redeemable units	23	40	44	45	67	85
Redemption of redeemable units	(3 724)	(2 154)	(10 714)	(8 238)	(14 438)	(10 392)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(3 398)	(915)	51	1 591	(3 347)	676
Distributions from net income	(793)	(810)	(2 401)	(2 171)	(3 194)	(2 981)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(793)	(810)	(2 401)	(2 171)	(3 194)	(2 981)
NET INCREASE (DECREASE) IN NAV	(5 397)	(242)	(5 087)	3 107	(10 484)	2 865
NAV AT END OF PERIOD	\$ 22 761	\$ 28 158	\$ 59 671	\$ 64 758	\$ 82 432	\$ 92 916

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Credit risk (%)

Credit-exposed securities, excluding short-term investments, comprise 40.2% (December 31, 2017 – 42.9%) of the NAV of the Fund. The table below summarizes the Fund's credit risk exposure grouped by credit ratings as at:

Rating	December 31 2018	December 31 2017
AA	3.1	3.0
A	21.5	26.5
BBB	75.4	70.5
Total	100.0	100.0

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

Investment mix	December 31 2018	December 31 2017
Bonds	45.2	43.0
Financials	18.1	18.2
Energy	11.2	14.5
Communication Services	5.1	3.2
Industrials	5.1	4.6
Utilities	4.3	3.7
Materials	4.1	3.8
Real Estate	1.8	2.1
Consumer Staples	1.7	0.9
Consumer Discretionary	1.6	1.7
Health Care	0.4	0.4
Cash/Other	1.4	3.9
Total	100.0	100.0

Interest rate risk (%)

Fixed-income and debt securities, excluding short-term investments, comprise 45.2% (December 31, 2017 – 43.0%) of the NAV of the Fund. The table below summarizes the Fund's exposure to interest rate risk by remaining term to maturity as at:

Term to maturity	December 31 2018	December 31 2017
Less than 1 year	–	3.0
1 – 5 years	51.3	44.2
5 – 10 years	22.4	23.2
> 10 years	26.3	29.6
Total	100.0	100.0

As at December 31, 2018, had prevailing interest rates risen or lowered by 1%, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 2.7% (December 31, 2017 – 2.5%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.6	+ or - 0.6

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	44 053	–	–	44 053
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	37 279	–	37 279
Short-term investments	–	885	–	885
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	44 053	38 164	–	82 217
% of total portfolio	53.6	46.4	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	49 381	—	—	49 381
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	39 900	—	39 900
Short-term investments	—	2 946	—	2 946
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	49 381	42 846	—	92 227
% of total portfolio	53.5	46.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.50%	0.05%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	1 155
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series F		
Opening units	142	147
Issued number of units	2	6
Reinvested number of units	—	—
Redeemed number of units	(19)	(11)
Ending number of units	125	142

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
Series O		
Opening units	328	320
Issued number of units	56	50
Reinvested number of units	—	—
Redeemed number of units	(56)	(42)
Ending number of units	328	328

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	6	100	6	100
Related-party brokerage commissions*	1	17	1	17
Commission arrangements†	—	—	—	—

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	8 292		7 891	
Fair value of collateral received	8 458		8 049	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	13	100	17	100
RBC IS (paid)	(3)	(25)	(5)	(29)
Tax withheld	(1)	(7)	(2)	(13)
Fund revenue	9	68	10	58



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE CANADIAN DIVIDEND POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
EQUITIES				
Communication Services				
834 878	BCE Inc.	\$ 37 860	\$ 45 025	
661 014	Quebecor Inc., Class B	9 947	18 998	
615 944	Rogers Communications Inc., Class B	28 818	43 091	
970 394	Shaw Communications Inc., Class B	23 174	23 977	
814 356	TELUS Corp.	28 109	36 849	
		127 908	167 940	7.1
Consumer Discretionary				
283 894	Recipe Unlimited Corp.	7 750	7 429	
290 533	Restaurant Brands International Inc.	19 433	20 720	
		27 183	28 149	1.2
Consumer Staples				
492 017	Alimentation Couche-Tard Inc.	24 497	33 413	
205 581	George Weston Ltd.	19 068	18 513	
563 245	Loblaw Companies Ltd.	27 329	34 420	
618 901	Maple Leaf Foods Inc.	14 148	16 915	
306 293	Saputo Group Inc.	13 166	12 004	
		98 208	115 265	4.8
Energy				
505 504	ARC Resources Ltd.	10 663	4 095	
1 634 594	Canadian Natural Resources Ltd.	60 337	53 844	
2 720 162	Enbridge Inc.	122 850	115 362	
1 293 578	Husky Energy Inc.	29 280	18 252	
819 200	Imperial Oil Ltd.	32 924	28 336	
394 991	Keyera Corp.	14 833	10 195	
681 419	Pembina Pipeline Corp.	25 906	27 604	
1 192 350	PrairieSky Royalty Ltd.	36 270	21 069	
187 650	ShawCor Ltd.	7 855	3 111	
1 625 384	Suncor Energy Inc.	61 314	61 976	
1 441 286	TransCanada Corp.	69 267	70 263	
		471 499	414 107	17.4
Financials				
1 233 958	AGF Management Ltd., Class B	7 738	5 948	
876 976	Bank of Montreal	62 116	78 217	
2 154 283	Bank of Nova Scotia	128 806	146 599	
1 736 072	Brookfield Asset Management Inc., Class A	55 790	90 831	
63 294	Brookfield Asset Management Inc., Preferred Series 9, 5.630%	1 473	1 114	
382 814	Brookfield Asset Management Inc., Preferred Series 44, 5.000%	9 590	9 861	
547 443	Canadian Imperial Bank of Commerce	50 433	55 664	
833 041	Element Fleet Management Corp.	5 516	5 756	
48 247	Fairfax Financial Holdings Ltd.	27 922	28 995	
203 609	Intact Financial Corp.	14 156	20 196	

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials (cont.)				
3 064 839	Manulife Financial Corporation	\$ 61 500	\$ 59 366	
412 819	National Bank of Canada	20 098	23 139	
284 579	Onex Corporation	17 321	21 158	
873 308	Power Corporation of Canada	24 110	21 422	
2 036 903	Royal Bank of Canada*	138 599	190 328	
833 295	Sun Life Financial Inc.	34 007	37 740	
2 553 839	Toronto-Dominion Bank	121 762	173 304	
		780 937	969 638	40.9
Health Care				
369 831	Chartwell Retirement Residences Real Estate Investment Trust	3 060	5 056	
		3 060	5 056	0.2
Industrials				
299 881	Brookfield Business Partners LP	9 482	12 469	
1 070 112	Canadian National Railway Co.	72 267	108 199	
232 533	Canadian Pacific Railway Ltd.	35 266	56 329	
505 277	Finning International Inc.	12 403	12 026	
503 004	SNC-Lavalin Group Inc.	25 908	23 098	
610 192	Thomson Reuters Corp.	26 596	40 230	
		181 922	252 351	10.6
Information Technology				
84 492	Open Text Corp.	3 735	3 760	
		3 735	3 760	0.2
Materials				
136 161	Agnico Eagle Mines Ltd.	5 550	7 502	
484 115	Barrick Gold Corp.	10 885	8 922	
211 498	CCL Industries, Class B	12 278	10 588	
72 230	First Quantum Minerals Ltd.	1 083	797	
472 114	Goldcorp Inc.	7 947	6 312	
547 358	Nutrien Ltd.	35 713	35 097	
433 976	Teck Resources Ltd., Class B	10 679	12 755	
		84 135	81 973	3.4
Real Estate				
295 984	Allied Properties Real Estate Investment Trust	9 767	13 118	
725 203	Brookfield Property Partners LP	17 789	15 969	
1 633 839	Choice Properties Real Estate Investment Trust	19 411	18 822	
612 500	First Capital Realty Inc.	11 537	11 546	
907 707	Plaza Retail Real Estate Investment Trust	3 928	3 522	
		62 432	62 977	2.7
Utilities				
426 924	AltaGas Canada Inc.	6 190	6 925	
512 636	AltaGas Ltd.	7 924	7 126	
544 403	Atco Ltd., Class I, Non-Voting	17 653	21 019	
434 204	Boralex Inc., Class A	8 305	7 312	
365 550	Brookfield Infrastructure Partners LP	16 182	17 236	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities (cont.)				
370 874	Brookfield Renewable Partners LP	\$ 11 431	\$ 13 110	
32 491	Brookfield Renewable Power Inc., Preferred Series 2, 1.729%	772	526	
601 722	Canadian Utilities Ltd., Class A	19 268	18 846	
157 881	Emera Inc.	7 514	6 901	
780 885	Fortis Inc.	29 904	35 538	
209 514	Hydro One Ltd.	4 098	4 243	
2 751 121	TransAlta Corp.	20 710	15 379	
600 444	TransAlta Renewables Inc.	7 759	6 227	
		157 710	160 388	6.8
TOTAL EQUITIES		1 998 729	2 261 604	95.3

Par Value (000s)	Security	Coupon Rate %	Maturity	Cost	Fair Value	% of Net Assets
BONDS						
6 738	Canaccord Genuity Group Inc., Convertible	6.250	31-Dec-2023	\$ 6 738	\$ 6 650	
TOTAL BONDS				6 738	6 650	0.3
SHORT-TERM INVESTMENTS†				90 033	90 033	3.8
TOTAL INVESTMENTS				\$ 2 095 500	2 358 287	99.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					13 726	0.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS					\$ 2 372 013	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature between January 2, 2019 and January 31, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 358 287	\$ 2 787 391
Cash	1 522	2 501
Due from investment dealers	7 424	5 487
Subscriptions receivable	1 427	3 241
Dividends receivable, interest accrued and other assets	7 754	7 022
TOTAL ASSETS	2 376 414	2 805 642
LIABILITIES		
Due to investment dealers	2 009	–
Redemptions payable	2 200	1 402
Distributions payable	11	–
Accounts payable and accrued expenses	181	190
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 401	1 592
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 372 013	\$ 2 804 050
Investments at cost	\$ 2 095 500	\$ 2 151 978
NAV		
SERIES F	\$ 84 642	\$ 60 036
SERIES O	\$ 2 287 371	\$ 2 744 014
NAV PER UNIT		
SERIES F	\$ 42.01	\$ 47.10
SERIES O	\$ 42.57	\$ 47.69

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 80 791	\$ 80 503
Interest for distribution purposes	2 336	1 801
Income from investment trusts	2 024	2 092
Derivative income	–	(2)
Net realized gain (loss) on investments	110 481	125 419
Change in unrealized gain (loss) on investments	(372 626)	57 874
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(176 994)	267 687
Securities lending revenue (see note 7 in the generic notes)	184	196
Net gain (loss) on foreign cash balances	11	30
TOTAL OTHER INCOME (LOSS)	195	226
TOTAL INCOME (LOSS)	(176 799)	267 913
EXPENSES (see notes – Fund Specific Information)		
Management fees	384	309
Administration fees	1 555	1 681
Independent Review Committee costs	2	3
GST/HST	187	192
Transaction costs	783	784
TOTAL EXPENSES	2 911	2 969
INCREASE (DECREASE) IN NAV	\$ (179 710)	\$ 264 944
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (7 485)	\$ 5 178
SERIES O	\$ (172 225)	\$ 259 766
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (4.90)	\$ 4.16
SERIES O	\$ (3.22)	\$ 4.39

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (179 710)	\$ 264 944
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(109 616)	(124 583)
Change in unrealized loss (gain) on investments	372 626	(57 874)
(Increase) decrease in accrued receivables	(732)	(545)
Increase (decrease) in accrued payables	(9)	8
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(2 523 888)	(2 796 692)
Proceeds from sale and maturity of investments	2 690 054	2 925 760
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	248 725	211 018
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	621 976	578 289
Cash paid on redemption of redeemable units	(804 863)	(728 065)
Distributions paid to holders of redeemable units	(66 817)	(61 798)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (249 704)	\$ (211 574)
Net increase (decrease) in cash for the period	(979)	(556)
Cash (bank overdraft), beginning of period	2 501	3 057
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 522	\$ 2 501
Interest received (paid)	\$ 2 274	\$ 1 786
Dividends received, net of withholding taxes	\$ 80 121	\$ 79 973

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 60 036	\$ 54 281	\$ 2 744 014	\$ 2 697 350	\$ 2 804 050	\$ 2 751 631
INCREASE (DECREASE) IN NAV	(7 485)	5 178	(172 225)	259 766	(179 710)	264 944
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	55 890	22 100	565 207	573 994	621 097	596 094
Reinvestments of distributions to holders of redeemable units	1 450	611	26 923	19 418	28 373	20 029
Redemption of redeemable units	(22 813)	(20 795)	(783 783)	(726 026)	(806 596)	(746 821)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	34 527	1 916	(191 653)	(132 614)	(157 126)	(130 698)
Distributions from net income	(1 943)	(1 339)	(79 259)	(80 488)	(81 202)	(81 827)
Distributions from net gains	(493)	—	(13 506)	—	(13 999)	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 436)	(1 339)	(92 765)	(80 488)	(95 201)	(81 827)
NET INCREASE (DECREASE) IN NAV	24 606	5 755	(456 643)	46 664	(432 037)	52 419
NAV AT END OF PERIOD	\$ 84 642	\$ 60 036	\$ 2 287 371	\$ 2 744 014	\$ 2 372 013	\$ 2 804 050

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	40.9	43.8
Energy	17.4	19.5
Industrials	10.6	8.3
Communication Services	7.1	3.6
Utilities	6.8	5.1
Consumer Staples	4.8	4.0
Materials	3.4	4.3
Real Estate	2.7	3.8
Consumer Discretionary	1.2	2.4
Health Care	0.2	0.2
Information Technology	0.2	—
Cash/Other	4.7	5.0
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.9	+ or - 0.8

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 261 604	—	—	2 261 604
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	6 650	—	6 650
Short-term investments	—	90 033	—	90 033
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	2 261 604	96 683	—	2 358 287
% of total portfolio	95.9	4.1	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 637 459	28 194	—	2 665 653
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	12 809	—	12 809
Short-term investments	—	108 929	—	108 929
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	2 637 459	149 932	—	2 787 391
% of total portfolio	94.6	5.4	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.55%	0.10%
Series O	n/a*	0.06%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	1 275	1 232
Issued number of units	1 208	489
Reinvested number of units	33	14
Redeemed number of units	(501)	(460)
Ending number of units	2 015	1 275
Series O		
Opening units	57 537	60 465
Issued number of units	12 360	12 543
Reinvested number of units	611	418
Redeemed number of units	(16 782)	(15 889)
Ending number of units	53 726	57 537

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	783	100	784	100
Related-party brokerage commissions*	174	22	137	17
Commission arrangements†	115	15	68	9

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	108 270	109 270
Fair value of collateral received	110 436	111 456

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	256	100	280	100
RBC IS (paid)	(65)	(25)	(79)	(28)
Tax withheld	(7)	(3)	(5)	(2)
Fund revenue	184	72	196	70

Please see the generic notes at the back of the financial statements.

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Canadian Dividend Class	5.6	5.1



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE CANADIAN GROWTH AND INCOME EQUITY POOL

renamed RBC Private Fundamental Canadian Equity Pool effective February 27, 2019

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
46 280	BCE Inc.	\$ 1 883	\$ 2 496	
102 670	Shaw Communications Inc., Class B	2 640	2 536	
56 320	TELUS Corp.	2 000	2 548	
		6 523	7 580	12.4
Energy				
65 010	Canadian Natural Resources Ltd.	2 905	2 141	
57 980	Enbridge Inc.	2 442	2 459	
59 290	Pembina Pipeline Corp.	2 817	2 402	
55 000	Suncor Energy Inc.	2 244	2 097	
48 100	TransCanada Corp.	2 750	2 345	
		13 158	11 444	18.7
Financials				
26 872	Bank of Montreal	2 727	2 397	
37 340	Bank of Nova Scotia	1 977	2 541	
24 720	Brookfield Asset Management Inc., Class A	1 098	1 293	
123 610	Manulife Financial Corporation	1 715	2 394	
45 470	National Bank of Canada	1 753	2 549	
26 627	Royal Bank of Canada*	1 629	2 488	
54 940	Sun Life Financial Inc.	2 781	2 488	
36 600	Toronto-Dominion Bank	1 542	2 484	
		15 222	18 634	30.4
Industrials				
24 612	Canadian National Railway Co.	2 391	2 489	
50 139	Morneau Shepell Inc.	1 357	1 255	
28 800	NFI Group Inc.	1 111	980	
24 081	Waste Connections Inc.	1 551	2 440	
20 740	WSP Global Inc.	740	1 217	
		7 150	8 381	13.7
Information Technology				
2 817	Constellation Software Inc.	2 736	2 462	
		2 736	2 462	4.0
Materials				
23 246	CCL Industries, Class B	934	1 164	
19 150	Nutrien Ltd.	1 148	1 228	
		2 082	2 392	3.9
Real Estate				
56 250	Allied Properties Real Estate Investment Trust	1 598	2 493	
47 680	Altus Group Ltd.	1 400	1 129	
39 270	SmartCentres Real Estate Investment Trust	1 353	1 211	
		4 351	4 833	7.9

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
89 550	Algonquin Power & Utilities Corp.	\$ 1 203	\$ 1 230	
28 050	Emera Inc.	1 017	1 226	
55 520	Fortis Inc.	2 207	2 527	
		4 427	4 983	8.1
TOTAL CANADIAN EQUITIES			\$ 55 649	60 709
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				519
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 61 228	100.0

* Investment in related party (see note 8 in the generic notes).

The accompanying notes are an integral part of the financial statements.



renamed RBC Private Fundamental Canadian Equity Pool effective February 27, 2019

Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 60 709	\$ 93 044
Cash	—	20
Due from investment dealers	424	—
Subscriptions receivable	—	59
Dividends receivable, interest accrued and other assets	267	302
TOTAL ASSETS	61 400	93 425
LIABILITIES		
Bank overdraft	99	—
Redemptions payable	64	15
Accounts payable and accrued expenses	9	11
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	172	26
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 61 228	\$ 93 399
Investments at cost	\$ 55 649	\$ 76 222
NAV		
SERIES F	\$ 3 693	\$ 3 583
SERIES O	\$ 57 535	\$ 89 816
NAV PER UNIT		
SERIES F	\$ 19.90	\$ 22.37
SERIES O	\$ 19.90	\$ 22.37

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 2 767	\$ 3 341
Interest for distribution purposes	3	—
Income from investment trusts	86	181
Net realized gain (loss) on investments	3 444	6 002
Change in unrealized gain (loss) on investments	(11 762)	(482)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(5 462)	9 042
Securities lending revenue (see note 7 in the generic notes)	14	15
TOTAL OTHER INCOME (LOSS)	14	15
TOTAL INCOME (LOSS)	(5 448)	9 057
EXPENSES (see notes – Fund Specific Information)		
Management fees	26	26
Administration fees	72	90
Independent Review Committee costs	2	3
GST/HST	9	10
Transaction costs	28	43
TOTAL EXPENSES	137	172
INCREASE (DECREASE) IN NAV	\$ (5 585)	\$ 8 885
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (317)	\$ 289
SERIES O	\$ (5 268)	\$ 8 596
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (1.95)	\$ 1.77
SERIES O	\$ (1.49)	\$ 1.92

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (5 585)	\$ 8 885
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(3 391)	(5 927)
Change in unrealized loss (gain) on investments	11 762	482
(Increase) decrease in accrued receivables	35	93
Increase (decrease) in accrued payables	(2)	(1)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(34 374)	(30 511)
Proceeds from sale and maturity of investments	57 914	64 442
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	26 359	37 463
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	5 126	6 800
Cash paid on redemption of redeemable units	(29 002)	(41 111)
Distributions paid to holders of redeemable units	(2 602)	(3 220)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (26 478)	\$ (37 531)
Net increase (decrease) in cash for the period	(119)	(68)
Cash (bank overdraft), beginning of period	20	88
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (99)	\$ 20
Interest received (paid)	\$ 3	\$ —
Dividends received, net of withholding taxes	\$ 2 801	\$ 3 435



RBC PRIVATE CANADIAN GROWTH AND INCOME EQUITY POOL

renamed RBC Private Fundamental Canadian Equity Pool effective February 27, 2019

Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 3 583	\$ 3 596	\$ 89 816	\$ 118 268	\$ 93 399	\$ 121 864
INCREASE (DECREASE) IN NAV	(317)	289	(5 268)	8 596	(5 585)	8 885
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	799	96	4 268	6 749	5 067	6 845
Reinvestments of distributions to holders of redeemable units	54	52	145	218	199	270
Redemption of redeemable units	(327)	(352)	(28 724)	(40 626)	(29 051)	(40 978)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	526	(204)	(24 311)	(33 659)	(23 785)	(33 863)
Distributions from net income	(99)	(98)	(2 702)	(3 389)	(2 801)	(3 487)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(99)	(98)	(2 702)	(3 389)	(2 801)	(3 487)
NET INCREASE (DECREASE) IN NAV	110	(13)	(32 281)	(28 452)	(32 171)	(28 465)
NAV AT END OF PERIOD	\$ 3 693	\$ 3 583	\$ 57 535	\$ 89 816	\$ 61 228	\$ 93 399

The accompanying notes are an integral part of these financial statements.



General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	30.4	35.6
Energy	18.7	22.1
Industrials	13.7	7.9
Communication Services	12.4	7.9
Utilities	8.1	9.8
Real Estate	7.9	8.0
Information Technology	4.0	—
Materials	3.9	3.8
Consumer Discretionary	—	3.9
Cash/Other	0.9	1.0
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	60 709	—	—	60 709
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	60 709	—	—	60 709
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	92 495	—	—	92 495
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	549	—	549
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	92 495	549	—	93 044
% of total portfolio	99.4	0.6	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.75%	0.10%
Series O	n/a*	0.09%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	2 079
Non-capital losses	—



Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	160	170
Issued number of units	38	4
Reinvested number of units	3	2
Redeemed number of units	(15)	(16)
Ending number of units	186	160
Series O		
Opening units	4 015	5 580
Issued number of units	200	313
Reinvested number of units	7	10
Redeemed number of units	(1 331)	(1 888)
Ending number of units	2 891	4 015

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	28	100	43	100
Related-party brokerage commissions*	5	18	10	23
Commission arrangements†	2	7	3	7

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	7 154		7 193	
Fair value of collateral received	7 297		7 337	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	20	100	21	100
RBC IS (paid)	(5)	(25)	(6)	(28)
Tax withheld	(1)	(3)	—	(2)
Fund revenue	14	72	15	70

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE CANADIAN EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
1 559 904	BCE Inc.	\$ 85 700	\$ 84 126	
481 437	Cineplex Inc.	16 892	12 247	
1 858 300	DHX Media Ltd.	14 414	4 162	
1 100 384	Quebecor Inc., Class B	17 371	31 625	
458 469	Rogers Communications Inc., Class B	24 294	32 074	
583 849	Shaw Communications Inc., Class B	15 057	14 427	
989 862	TELUS Corp.	42 253	44 791	
		215 981	223 452	5.0
Consumer Discretionary				
1 245 996	Aritzia Inc.	20 103	20 434	
340 300	Canadian Tire Corp. Ltd., Class A	52 806	48 574	
580 803	Dollarama Inc.	20 346	18 859	
1 032 771	Magna International Inc., Class A	69 188	64 001	
497 130	Restaurant Brands International Inc.	30 890	35 465	
		193 333	187 333	4.2
Consumer Staples				
1 229 946	Alimentation Couche-Tard Inc.	60 986	83 526	
779 909	Cott Corporation	12 700	14 826	
725 000	Empire Co. Ltd., Class A	16 697	20 902	
622 574	George Weston Ltd.	60 378	56 063	
297 231	Loblaw Companies Ltd.	15 899	18 164	
689 683	Maple Leaf Foods Inc.	13 361	18 849	
367 269	Metro Inc., Class A	14 609	17 387	
924 548	Saputo Group Inc.	37 421	36 233	
		232 051	265 950	5.9
Energy				
1 820 453	ARC Resources Ltd.	44 768	14 746	
1 919	Cameco Corp.	35	30	
3 299 311	Canadian Natural Resources Ltd.	129 934	108 679	
2 065 384	Cenovus Energy Inc.	42 803	19 828	
1 936 010	Crescent Point Energy Corp.	33 855	8 015	
4 489 486	Enbridge Inc.	227 952	190 399	
1 898 498	Encana Corp.	28 608	14 960	
1 178 743	Gibson Energy Inc.	24 807	22 019	
885 113	Husky Energy Inc.	17 967	12 489	
426 915	Imperial Oil Ltd.	17 892	14 767	
1 686 883	Keyera Corp.	63 813	43 538	
888 863	Kinder Morgan Canada Ltd.	14 647	14 160	
151 577	Parkland Fuel Corp.	3 977	5 357	
1 673 038	Pembina Pipeline Corp.	69 648	67 775	
2 169 501	PrairieSky Royalty Ltd.	60 312	38 335	
3 507 993	Suncor Energy Inc.	139 267	133 760	
578 188	Tervita Corp.	5 157	3 631	
120 840	Tervita Corp., Warrants @ 18.75 July 19, 2020	—	50	
2 417 055	TransCanada Corp.	134 975	117 831	
492 344	Vermilion Energy Inc.	17 914	14 160	
		1 078 331	844 529	18.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Financials				
1 144 797	Bank of Montreal	\$ 94 005	\$ 102 104	
3 099 163	Bank of Nova Scotia	216 921	210 898	
2 188 764	Brookfield Asset Management Inc., Class A	89 362	114 516	
840 124	Canadian Imperial Bank of Commerce	89 363	85 424	
1 201 319	ECN Capital Corp.	4 387	4 145	
2 672 181	Element Fleet Management Corp.	20 070	18 465	
44 811	Fairfax Financial Holdings Ltd.	27 564	26 931	
400 000	Great-West Lifeco Inc.	11 140	11 272	
288 668	Intact Financial Corp.	24 732	28 633	
6 100 091	Manulife Financial Corporation	131 628	118 159	
341 532	National Bank of Canada	15 774	19 143	
410 051	Onex Corporation	33 620	30 487	
614 406	Power Corporation of Canada	18 114	15 071	
3 424 499	Royal Bank of Canada*	286 778	319 985	
1 559 423	Sun Life Financial Inc.	66 496	70 626	
3 126 608	Toronto-Dominion Bank	180 408	212 172	
		1 310 362	1 388 031	31.0
Health Care				
1 682 393	Chartwell Retirement Residences Real Estate Investment Trust	23 255	22 998	
		23 255	22 998	0.5
Industrials				
1 588 521	Air Canada	23 074	41 238	
8 900 000	Bombardier Inc., Class B	30 260	18 067	
384 997	Brookfield Business Partners LP	10 249	16 008	
1 291 111	Canadian National Railway Co.	103 359	130 544	
245 110	Canadian Pacific Railway Ltd.	49 753	59 375	
1 692 296	Finning International Inc.	45 814	40 277	
1 019 848	SNC-Lavalin Group Inc.	55 252	46 831	
858 709	Thomson Reuters Corp.	43 981	56 615	
421 969	Waste Connections Inc.	25 254	42 758	
		386 996	451 713	10.1
Information Technology				
892 115	Celestica Inc.	12 039	10 670	
546 822	CGI Group Inc., Class A	31 249	45 660	
854 327	Open Text Corp.	29 234	38 018	
		72 522	94 348	2.1
Materials				
506 936	Agnico Eagle Mines Ltd.	23 743	27 932	
448 402	Alamos Gold Inc., Class A	3 419	2 202	
3 279 765	B2Gold Corp.	12 505	13 086	
1 102 035	Barrick Gold Corp.	20 023	20 311	
465 337	Detour Gold Corp.	7 039	5 365	
405 430	Endeavour Mining Corp.	8 204	9 057	
794 261	First Quantum Minerals Ltd.	8 224	8 769	
176 725	Franco-Nevada Corp.	11 250	16 918	
829 308	Goldcorp Inc.	17 749	11 088	
502 063	IAMGOLD Corporation	3 724	2 515	
813 200	Kinross Gold Corp.	4 208	3 578	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials (cont.)				
765 612	Kirkland Lake Gold Ltd.	\$ 11 303	\$ 27 256	
198 565	Methanex Corp.	12 466	13 038	
1 764 900	Nutrien Ltd.	115 158	113 165	
1 139 700	OceanaGold Corp.	4 536	5 676	
1 294 943	Semafo Inc.	5 846	3 820	
2 043 485	Teck Resources Ltd., Class B	59 781	60 058	
471 511	Torex Gold Resources Inc.	7 282	6 125	
507 523	Wheaton Precious Metals Corp.	13 336	13 525	
		<u>349 796</u>	<u>363 484</u>	8.1
Real Estate				
2 382 782	Brookfield Property Partners LP	58 775	52 469	
1 987 113	Choice Properties Real Estate Investment Trust	21 640	22 892	
1 361 473	Cominar Real Estate Investment Trust	16 291	15 248	
3 966 938	Dream Unlimited Corp.	29 558	27 134	
1 778 015	First Capital Realty Inc.	35 687	33 516	
613 020	H&R Real Estate Investment Trust	12 663	12 659	
1 515 524	RioCan Real Estate Investment Trust	35 903	36 069	
3 096 487	Tricon Capital Group Inc.	31 615	30 005	
		<u>242 132</u>	<u>229 992</u>	5.1
Utilities				
2 683 157	Algonquin Power & Utilities Corp.	31 942	36 840	
411 748	AltaGas Ltd.	6 587	5 723	
471 096	Atco Ltd., Class I, Non-Voting	21 568	18 189	
740 774	Brookfield Infrastructure Partners LP	30 515	34 927	
386 919	Brookfield Renewable Partners LP	13 456	13 678	
443 229	Canadian Utilities Ltd., Class A	16 696	13 882	
1 059 774	Fortis Inc.	43 477	48 230	
3 822 905	TransAlta Corp.	26 026	21 370	
1 907 337	TransAlta Renewables Inc.	24 557	19 779	
		<u>214 824</u>	<u>212 618</u>	4.7
TOTAL CANADIAN EQUITIES		<u>4 319 583</u>	<u>4 284 448</u>	95.5
UNDERLYING FUNDS				
16 855 522	RBC Canadian Small & Mid-Cap Resources Fund*	194 017	78 494	
TOTAL UNDERLYING FUNDS		<u>194 017</u>	<u>78 494</u>	1.8
SHORT-TERM INVESTMENTS†		<u>104 107</u>	<u>104 107</u>	2.3
TOTAL INVESTMENTS		<u>\$4 617 707</u>	<u>4 467 049</u>	99.6
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>15 479</u>	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$4 482 528</u>	100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.70% to 2.40% and mature between January 2, 2019 and January 31, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 4 467 049	\$ 4 325 163
Cash	1 736	2 524
Subscriptions receivable	278	3 407
Dividends receivable, interest accrued and other assets	14 164	9 323
TOTAL ASSETS	4 483 227	4 340 417
LIABILITIES		
Due to investment dealers	–	1 208
Redemptions payable	425	1 421
Distributions payable	9	–
Accounts payable and accrued expenses	265	252
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	699	2 881
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 4 482 528	\$ 4 337 536
Investments at cost	\$ 4 617 707	\$ 3 904 005
NAV		
SERIES F	\$ 20 871	\$ 20 547
SERIES O	\$ 4 461 657	\$ 4 316 989
NAV PER UNIT		
SERIES F	\$ 22.94	\$ 26.06
SERIES O	\$ 23.05	\$ 26.18

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 136 819	\$ 105 788
Interest for distribution purposes	2 069	1 345
Income from investment trusts	5 460	3 611
Derivative income	6	(4)
Net realized gain (loss) on investments	66 205	86 072
Change in unrealized gain (loss) on investments	(571 816)	160 579
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(361 257)	357 391
Securities lending revenue (see note 7 in the generic notes)	417	472
Net gain (loss) on foreign cash balances	(2)	66
TOTAL OTHER INCOME (LOSS)	415	538
TOTAL INCOME (LOSS)	(360 842)	357 929
EXPENSES (see notes – Fund Specific Information)		
Management fees	119	103
Administration fees	2 783	2 430
Independent Review Committee costs	2	3
GST/HST	293	255
Transaction costs	1 969	2 134
TOTAL EXPENSES	5 166	4 925
INCREASE (DECREASE) IN NAV	\$ (366 008)	\$ 353 004
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (1 952)	\$ 1 559
SERIES O	\$ (364 056)	\$ 351 445
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (2.30)	\$ 2.07
SERIES O	\$ (2.02)	\$ 2.20

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (366 008)	\$ 353 004
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 802)	(1 236)
Net realized loss (gain) on investments	(64 914)	(84 212)
Change in unrealized loss (gain) on investments	571 816	(160 579)
(Increase) decrease in accrued receivables	(4 841)	(1 011)
Increase (decrease) in accrued payables	13	30
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(4 097 246)	(3 880 798)
Proceeds from sale and maturity of investments	3 449 052	3 572 586
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(513 930)	(202 216)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	705 959	421 988
Cash paid on redemption of redeemable units	(174 096)	(204 486)
Distributions paid to holders of redeemable units	(18 721)	(15 551)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 513 142	\$ 201 951
Net increase (decrease) in cash for the period	(788)	(265)
Cash (bank overdraft), beginning of period	2 524	2 789
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 1 736	\$ 2 524
Interest received (paid)	\$ 2 022	\$ 1 313
Dividends received, net of withholding taxes	\$ 132 359	\$ 104 809

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 20 547	\$ 17 156	\$ 4 316 989	\$ 3 763 296	\$ 4 337 536	\$ 3 780 452
INCREASE (DECREASE) IN NAV	(1 952)	1 559	(364 056)	351 445	(366 008)	353 004
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	17 677	9 341	685 869	423 174	703 546	432 515
Reinvestments of distributions to holders of redeemable units	431	141	184 688	96 851	185 119	96 992
Redemption of redeemable units	(15 018)	(7 246)	(158 798)	(205 638)	(173 816)	(212 884)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	3 090	2 236	711 759	314 387	714 849	316 623
Distributions from net income	(486)	(380)	(132 949)	(107 228)	(133 435)	(107 608)
Distributions from net gains	(328)	(24)	(70 086)	(4 911)	(70 414)	(4 935)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(814)	(404)	(203 035)	(112 139)	(203 849)	(112 543)
NET INCREASE (DECREASE) IN NAV	324	3 391	144 668	553 693	144 992	557 084
NAV AT END OF PERIOD	\$ 20 871	\$ 20 547	\$ 4 461 657	\$ 4 316 989	\$ 4 482 528	\$ 4 337 536

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns primarily consisting of capital appreciation by investing in equity securities of major Canadian companies.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	31.0	31.3
Energy	18.8	19.6
Industrials	10.1	10.0
Materials	8.1	7.7
Consumer Staples	5.9	4.8
Real Estate	5.1	4.0
Communication Services	5.0	3.4
Utilities	4.7	5.0
Consumer Discretionary	4.2	4.6
Information Technology	2.1	2.2
Underlying Funds	1.8	2.5
Health Care	0.5	0.5
Cash/Other	2.7	4.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	4 284 448	–	–	4 284 448
Underlying funds	78 494	–	–	78 494
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	104 107	–	104 107
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	4 362 942	104 107	–	4 467 049
% of total portfolio	97.7	2.3	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	4 022 551	16 164	–	4 038 715
Underlying funds	108 566	–	–	108 566
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	177 882	–	177 882
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	4 131 117	194 046	–	4 325 163
% of total portfolio	95.5	4.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.55%	0.10%
Series O	n/a*	0.06%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Unconsolidated structured entities (%)
(see note 3 in the generic notes)

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Canadian Small & Mid-Cap Resources Fund	1.8	36.6	2.5	35.4

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	789	698
Issued number of units	703	374
Reinvested number of units	18	6
Redeemed number of units	(600)	(289)
Ending number of units	910	789
Series O		
Opening units	164 913	152 293
Issued number of units	27 272	16 969
Reinvested number of units	7 648	3 838
Redeemed number of units	(6 236)	(8 187)
Ending number of units	193 597	164 913

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	1 969	100	2 134	100
Related-party brokerage commissions*	258	13	294	14
Commission arrangements†	266	14	196	9

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	243 761	165 771
Fair value of collateral received	248 637	169 087

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	566	100	665	100
RBC IS (paid)	(141)	(25)	(177)	(27)
Tax withheld	(8)	(1)	(16)	(2)
Fund revenue	417	74	472	71

Investments by other related investment funds (%)
(see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Canadian Equity Class	0.4	0.4
RBC Select Aggressive Growth Portfolio	3.6	3.5
RBC Select Balanced Portfolio	37.5	34.7
RBC Select Conservative Portfolio	23.5	24.0
RBC Select Growth Portfolio	12.9	12.7
RBC Select Very Conservative Portfolio	6.3	6.8
Total	84.2	82.1



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE CANADIAN GROWTH EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Consumer Discretionary				
66 300	Dollarama Inc.	\$ 2 597	\$ 2 153	
60 800	Gildan Activewear Inc., Class A	1 584	2 520	
98 200	Sleep Country Canada Holdings Inc.	2 164	1 961	
		6 345	6 634	4.4
Consumer Staples				
78 195	Alimentation Couche-Tard Inc.	1 894	5 310	
99 000	Jamieson Wellness Inc.	2 278	2 112	
46 100	Loblaw Companies Ltd.	2 494	2 817	
		6 666	10 239	6.7
Energy				
155 653	Canadian Natural Resources Ltd.	5 599	5 127	
608 800	CES Energy Solutions Corp.	2 862	1 919	
350 000	Encana Corp.	5 301	2 758	
226 400	Enerplus Corp.	2 446	2 404	
519 000	Nuvista Energy Ltd.	2 912	2 118	
101 100	Pembina Pipeline Corp.	3 833	4 096	
61 600	Suncor Energy Inc.	3 059	2 349	
		26 012	20 771	13.7
Financials				
142 488	Bank of Nova Scotia	8 842	9 696	
75 800	Brookfield Asset Management Inc., Class A	4 264	3 966	
32 052	Intact Financial Corp.	2 211	3 179	
278 400	Manulife Financial Corporation	5 295	5 393	
111 300	Royal Bank of Canada*	10 422	10 400	
140 938	Toronto-Dominion Bank	5 583	9 564	
		36 617	42 198	27.8
Health Care				
22 200	Canopy Growth Corp.	837	813	
178 400	HEXO Corp.	834	840	
		1 671	1 653	1.1
Industrials				
24 300	Boyd Group Income Fund	2 882	2 745	
29 100	Canadian Pacific Railway Ltd.	5 454	7 049	
107 400	SNC-Lavalin Group Inc.	5 691	4 932	
83 800	Stantec Inc.	2 853	2 506	
62 050	Waste Connections Inc.	3 946	6 288	
		20 826	23 520	15.5
Information Technology				
76 771	CGI Group Inc., Class A	3 257	6 410	
3 200	Constellation Software Inc.	2 827	2 796	
39 400	Kinaxis Inc.	3 218	2 596	
137 200	Open Text Corp.	3 543	6 105	
		12 845	17 907	11.8

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
47 900	Agnico Eagle Mines Ltd.	\$ 2 529	\$ 2 639	
90 900	CCL Industries, Class B	4 184	4 550	
168 200	First Quantum Minerals Ltd.	2 070	1 857	
190 073	Goldcorp Inc.	3 711	2 541	
33 700	Methanex Corp.	1 596	2 213	
67 300	Nutrien Ltd.	4 439	4 315	
45 600	West Fraser Timber Co. Ltd.	2 387	3 075	
		20 916	21 190	13.9
TOTAL CANADIAN EQUITIES				
		131 898	144 112	94.9
SHORT-TERM INVESTMENTS†				
		5 108	5 108	3.4
TOTAL INVESTMENTS				
		\$ 137 006	149 220	98.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			2 536	1.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		\$ 151 756		100.0

* Investment in related party (see note 8 in the generic notes).

† Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 1.63% and mature between January 24, 2019 and February 7, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 149 220	\$ 200 690
Cash	22	42
Due from investment dealers	2 162	–
Subscriptions receivable	98	24
Dividends receivable, interest accrued and other assets	293	317
TOTAL ASSETS	151 795	201 073
LIABILITIES		
Redemptions payable	22	69
Accounts payable and accrued expenses	17	14
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	39	83
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 151 756	\$ 200 990
Investments at cost	\$ 137 006	\$ 159 661
NAV		
SERIES F	\$ 13 627	\$ 5 470
SERIES O	\$ 138 129	\$ 195 520
NAV PER UNIT		
SERIES F	\$ 192.69	\$ 222.44
SERIES O	\$ 193.91	\$ 223.86

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 3 763	\$ 4 159
Interest for distribution purposes	113	55
Income from investment trusts	6	–
Net realized gain (loss) on investments	3 624	(2 114)
Change in unrealized gain (loss) on investments	(28 815)	9 131
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(21 309)	11 231
Securities lending revenue (see note 7 in the generic notes)	42	13
Net gain (loss) on foreign cash balances	(2)	(7)
TOTAL OTHER INCOME (LOSS)	40	6
TOTAL INCOME (LOSS)	(21 269)	11 237
EXPENSES (see notes – Fund Specific Information)		
Management fees	70	40
Administration fees	97	104
Independent Review Committee costs	2	3
GST/HST	17	14
Transaction costs	136	155
TOTAL EXPENSES	322	316
INCREASE (DECREASE) IN NAV	\$ (21 591)	\$ 10 921
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (2 357)	\$ 244
SERIES O	\$ (19 234)	\$ 10 677
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (54.90)	\$ 9.77
SERIES O	\$ (23.76)	\$ 11.76

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (21 591)	\$ 10 921
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(3 442)	2 328
Change in unrealized loss (gain) on investments	28 815	(9 131)
(Increase) decrease in accrued receivables	24	(4)
Increase (decrease) in accrued payables	3	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(145 149)	(88 597)
Proceeds from sale and maturity of investments	169 084	112 917
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	27 744	28 434
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	41 099	24 608
Cash paid on redemption of redeemable units	(65 466)	(49 322)
Distributions paid to holders of redeemable units	(3 397)	(3 708)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (27 764)	\$ (28 422)
Net increase (decrease) in cash for the period	(20)	12
Cash (bank overdraft), beginning of period	42	30
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 22	\$ 42
Interest received (paid)	\$ 113	\$ 52
Dividends received, net of withholding taxes	\$ 3 787	\$ 4 158

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 5 470	\$ 5 738	\$ 195 520	\$ 212 730	\$ 200 990	\$ 218 468
INCREASE (DECREASE) IN NAV	(2 357)	244	(19 234)	10 677	(21 591)	10 921
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	12 414	262	28 759	24 584	41 173	24 846
Reinvestments of distributions to holders of redeemable units	75	19	218	272	293	291
Redemption of redeemable units	(1 856)	(733)	(63 563)	(48 804)	(65 419)	(49 537)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10 633	(452)	(34 586)	(23 948)	(23 953)	(24 400)
Distributions from net income	(119)	(60)	(3 571)	(3 939)	(3 690)	(3 999)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(119)	(60)	(3 571)	(3 939)	(3 690)	(3 999)
NET INCREASE (DECREASE) IN NAV	8 157	(268)	(57 391)	(17 210)	(49 234)	(17 478)
NAV AT END OF PERIOD	\$ 13 627	\$ 5 470	\$ 138 129	\$ 195 520	\$ 151 756	\$ 200 990

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term growth primarily through capital appreciation by investing in common stock and equivalent securities of Canadian corporations.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	27.8	29.6
Industrials	15.5	12.5
Materials	13.9	14.4
Energy	13.7	20.5
Information Technology	11.8	9.8
Consumer Staples	6.7	2.8
Consumer Discretionary	4.4	7.0
Health Care	1.1	—
Cash/Other	5.1	3.4
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX Capped Composite		
Total Return Index	+ or - 1.2	+ or - 1.2

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	144 112	—	—	144 112
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	5 108	—	5 108
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	144 112	5 108	—	149 220
% of total portfolio	96.6	3.4	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	194 006	—	—	194 006
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	6 684	—	6 684
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	194 006	6 684	—	200 690
% of total portfolio	96.7	3.3	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.75%	0.10%
Series O	n/a*	0.05%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	2 730
Non-capital losses	—



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	25	27
Issued number of units	55	1
Reinvested number of units	—	—
Redeemed number of units	(9)	(3)
Ending number of units	71	25
Series O		
Opening units	873	984
Issued number of units	134	113
Reinvested number of units	1	1
Redeemed number of units	(296)	(225)
Ending number of units	712	873

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	136	100	155	100
Related-party brokerage commissions*	16	12	20	13
Commission arrangements†	3	2	7	5

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
Fair value of securities loaned	13 162		10 467	
Fair value of collateral received	13 426		10 677	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	58	100	20	100
RBC IS (paid)	(14)	(25)	(6)	(29)
Tax withheld	(2)	(3)	(1)	(3)
Fund revenue	42	72	13	68

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE CANADIAN MID-CAP EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
CANADIAN EQUITIES				
Communication Services				
20 100	Cogeco Communications Inc.	\$ 1 310	\$ 1 322	
94 600	Quebecor Inc., Class B	1 599	2 719	
		2 909	4 041	2.1
Consumer Discretionary				
83 800	AutoCanada Inc.	1 040	951	
34 400	Canada Goose Holdings Inc.	2 495	2 053	
45 400	Great Canadian Gaming Corp.	1 794	2 173	
33 636	Linamar Corp.	1 656	1 523	
121 700	The Stars Group Inc	4 295	2 743	
		11 280	9 443	5.0
Consumer Staples				
94 387	Empire Co. Ltd., Class A	2 381	2 721	
46 687	George Weston Ltd.	4 533	4 204	
48 893	Maple Leaf Foods Inc.	1 182	1 336	
22 800	Premium Brands Holdings Corp.	2 296	1 707	
		10 392	9 968	5.3
Energy				
157 500	ARC Resources Ltd.	2 548	1 276	
159 300	Cameco Corp.	2 034	2 466	
130 100	Enerflex Ltd.	2 113	2 079	
338 700	Enerplus Corp.	4 392	3 597	
110 600	Gibson Energy Inc.	2 049	2 066	
305 000	Husky Energy Inc.	5 345	4 304	
82 600	Keyera Corp.	3 025	2 132	
154 300	MEG Energy Corp.	1 696	1 190	
270 627	Parex Resources Inc.	3 750	4 425	
92 018	Parkland Fuel Corp.	2 847	3 252	
238 400	Seven Generations Energy Ltd.	3 533	2 656	
254 400	Tourmaline Oil Corp.	6 064	4 320	
		39 396	33 763	17.8
Financials				
58 291	Canadian Western Bank	1 892	1 518	
251 335	Element Fleet Management Corp.	2 394	1 737	
80 600	IGM Financial Inc.	2 715	2 501	
63 556	Industrial Alliance Insurance & Financial Services Inc.	2 895	2 769	
53 000	Onex Corporation	4 933	3 941	
141 300	Power Financial Corp.	4 299	3 650	
23 800	TMX Group Ltd.	1 676	1 683	
		20 804	17 799	9.4
Health Care				
54 500	Canopy Growth Corp.	2 998	1 995	
148 200	Chartwell Retirement Residences Real Estate Investment Trust	1 948	2 026	
		4 946	4 021	2.1

Holdings	Security	Cost	Fair Value	% of Net Assets
Industrials				
21 100	AG Growth International Inc.	\$ 1 227	\$ 987	
159 300	Air Canada	3 687	4 135	
1 200 000	Bombardier Inc., Class B	2 389	2 436	
17 900	Boyd Group Income Fund	2 045	2 022	
36 700	Brookfield Business Partners LP	1 709	1 526	
158 795	CAE Inc.	2 635	3 984	
41 200	NFI Group Inc.	1 766	1 402	
66 466	Ritchie Bros. Auctioneers Inc.	2 600	2 968	
50 500	TFI International Inc.	1 844	1 783	
52 600	Toromont Industries Ltd.	3 027	2 854	
78 100	Transcontinental Inc., Class A	1 808	1 507	
42 147	WSP Global Inc.	2 147	2 473	
		26 884	28 077	14.8
Information Technology				
304 200	BlackBerry Ltd.	4 004	2 954	
59 009	Descartes Systems Group Inc.	1 197	2 126	
24 100	Kinaxis Inc.	1 664	1 588	
		6 865	6 668	3.5
Materials				
1 074 300	B2Gold Corp.	3 834	4 286	
94 500	Detour Gold Corp.	1 104	1 090	
97 200	Endeavour Mining Corp.	1 977	2 171	
201 000	Ivanhoe Mines Ltd., Class A	565	476	
239 300	Kirkland Lake Gold Ltd.	3 570	8 519	
46 300	Labrador Iron Ore Royalty Corp.	1 175	1 122	
542 339	Lundin Mining Corp.	2 856	3 059	
29 600	Methanex Corp.	2 020	1 944	
661 100	Neo Lithium Corp.	1 196	410	
571 100	OceanaGold Corp.	2 156	2 844	
64 200	SSR Mining Inc.	960	1 059	
275 500	Wesdome Gold Mines Ltd.	712	1 220	
41 200	West Fraser Timber Co. Ltd.	2 738	2 779	
		24 863	30 979	16.3
Real Estate				
92 365	Allied Properties Real Estate Investment Trust	3 212	4 094	
216 400	Brookfield Property Partners LP	5 663	4 765	
78 500	Canadian Apartment Properties Real Estate Investment Trust	3 559	3 478	
244 494	Choice Properties Real Estate Investment Trust	2 367	2 817	
31 000	Colliers International Group Inc.	3 194	2 334	
161 900	First Capital Realty Inc.	3 159	3 052	
30 300	FirstService Corp.	2 155	2 839	
195 300	Tricon Capital Group Inc.	2 182	1 892	
		25 491	25 271	13.3

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Utilities				
323 500	Algonquin Power & Utilities Corp.	\$ 3 832	\$ 4 442	
179 900	AltaGas Ltd.	4 239	2 501	
92 300	Atco Ltd., Class I, Non-Voting	3 990	3 564	
88 856	Brookfield Renewable Partners LP	3 370	3 141	
167 600	Superior Plus Corp.	2 095	1 622	
281 000	TransAlta Corp.	2 031	1 571	
		<u>19 557</u>	<u>16 841</u>	8.9
TOTAL CANADIAN EQUITIES		<u>193 387</u>	<u>186 871</u>	98.5
SHORT-TERM INVESTMENTS*		<u>1 976</u>	<u>1 976</u>	1.0
TOTAL INVESTMENTS		<u>\$ 195 363</u>	<u>188 847</u>	99.5
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>992</u>	0.5
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 189 839</u>		100.0

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at rates ranging from 1.60% to 1.70% and mature between January 2, 2019 and January 10, 2019.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 188 847	\$ 206 330
Cash	228	162
Subscriptions receivable	235	291
Dividends receivable, interest accrued and other assets	599	440
TOTAL ASSETS	189 909	207 223
LIABILITIES		
Redemptions payable	49	67
Accounts payable and accrued expenses	21	21
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	70	88
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 189 839	\$ 207 135
Investments at cost	\$ 195 363	\$ 179 948
NAV		
SERIES F	\$ 2 478	\$ 2 984
SERIES O	\$ 187 361	\$ 204 151
NAV PER UNIT		
SERIES F	\$ 22.23	\$ 26.01
SERIES O	\$ 22.46	\$ 26.28

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 4 263	\$ 3 271
Interest for distribution purposes	137	48
Income from investment trusts	548	564
Net realized gain (loss) on investments	8 083	6 035
Change in unrealized gain (loss) on investments	(32 898)	14 272
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(19 867)	24 190
Securities lending revenue (see note 7 in the generic notes)	93	44
Net gain (loss) on foreign cash balances	(2)	3
TOTAL OTHER INCOME (LOSS)	91	47
TOTAL INCOME (LOSS)	(19 776)	24 237
EXPENSES (see notes – Fund Specific Information)		
Management fees	16	16
Administration fees	224	187
Independent Review Committee costs	2	3
GST/HST	20	17
Transaction costs	685	434
TOTAL EXPENSES	947	657
INCREASE (DECREASE) IN NAV	\$ (20 723)	\$ 23 580
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (259)	\$ 342
SERIES O	\$ (20 464)	\$ 23 238
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (2.32)	\$ 2.93
SERIES O	\$ (2.39)	\$ 3.21

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (20 723)	\$ 23 580
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(7 362)	(5 665)
Change in unrealized loss (gain) on investments	32 898	(14 272)
(Increase) decrease in accrued receivables	(159)	(177)
Increase (decrease) in accrued payables	—	5
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(495 764)	(367 251)
Proceeds from sale and maturity of investments	487 711	334 522
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(3 399)	(29 258)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	57 509	56 911
Cash paid on redemption of redeemable units	(43 368)	(21 141)
Distributions paid to holders of redeemable units	(10 676)	(6 496)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 3 465	\$ 29 274
Net increase (decrease) in cash for the period	66	16
Cash (bank overdraft), beginning of period	162	146
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 228	\$ 162
Interest received (paid)	\$ 131	\$ 48
Dividends received, net of withholding taxes	\$ 4 110	\$ 3 095

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 984	\$ 2 645	\$ 204 151	\$ 151 507	\$ 207 135	\$ 154 152
INCREASE (DECREASE) IN NAV	(259)	342	(20 464)	23 238	(20 723)	23 580
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	99	449	57 354	56 999	57 453	57 448
Reinvestments of distributions to holders of redeemable units	16	10	2 716	1 422	2 732	1 432
Redemption of redeemable units	(205)	(359)	(43 145)	(21 188)	(43 350)	(21 547)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(90)	100	16 925	37 233	16 835	37 333
Distributions from net income	(40)	(38)	(4 338)	(3 484)	(4 378)	(3 522)
Distributions from net gains	(117)	(65)	(8 913)	(4 343)	(9 030)	(4 408)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(157)	(103)	(13 251)	(7 827)	(13 408)	(7 930)
NET INCREASE (DECREASE) IN NAV	(506)	339	(16 790)	52 644	(17 296)	52 983
NAV AT END OF PERIOD	\$ 2 478	\$ 2 984	\$ 187 361	\$ 204 151	\$ 189 839	\$ 207 135

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Energy	17.8	22.3
Materials	16.3	20.1
Industrials	14.8	13.4
Real Estate	13.3	12.4
Financials	9.4	5.7
Utilities	8.9	9.3
Consumer Staples	5.3	4.5
Consumer Discretionary	5.0	4.5
Information Technology	3.5	3.7
Communication Services	2.1	–
Health Care	2.1	2.1
Cash/Other	1.5	2.0
Total	100.0	100.0

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P/TSX MidCap Index	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	186 871	–	–	186 871
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	1 976	–	1 976
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	186 871	1 976	–	188 847
% of total portfolio	99.0	1.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	201 789	1 210	–	202 999
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	3 331	–	3 331
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	201 789	4 541	–	206 330
% of total portfolio	97.8	2.2	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.55%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.



December 31, 2018

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	115	111
Issued number of units	3	18
Reinvested number of units	1	–
Redeemed number of units	(8)	(14)
Ending number of units	111	115
Series O		
Opening units	7 768	6 300
Issued number of units	2 193	2 246
Reinvested number of units	119	55
Redeemed number of units	(1 737)	(833)
Ending number of units	8 343	7 768

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	685	100	434	100
Related-party brokerage commissions*	65	9	42	10
Commission arrangements†	44	6	56	13

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	25 079	28 669
Fair value of collateral received	25 581	29 243

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	141	100	68	100
RBC IS (paid)	(35)	(25)	(18)	(27)
Tax withheld	(13)	(9)	(6)	(9)
Fund revenue	93	66	44	64

Please see the generic notes at the back of the financial statements.

Investments by other related investment funds (%) (see note 8 in the generic notes)

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Canadian Mid-Cap Equity Class	7.3	4.9
RBC Retirement 2020 Portfolio	0.2	0.2
RBC Retirement 2025 Portfolio	0.4	0.2
RBC Retirement 2030 Portfolio	0.8	0.4
RBC Retirement 2035 Portfolio	0.6	0.3
RBC Retirement 2040 Portfolio	0.6	0.2
RBC Retirement 2045 Portfolio	0.5	0.2
RBC Retirement 2050 Portfolio	0.4	0.2
Total	10.8	6.6



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
4 700	Alphabet Inc., Class A	\$ 5 190	\$ 6 711	
293 815	AT&T Inc.	14 889	11 447	
46 820	The Walt Disney Company	6 643	7 009	
		26 722	25 167	7.7
Consumer Discretionary				
29 250	Home Depot Inc.	3 593	6 865	
		3 593	6 865	2.1
Consumer Staples				
78 300	Colgate-Palmolive Company	5 114	6 362	
123 695	General Mills Inc.	7 355	6 576	
112 075	Hormel Foods Corp.	5 281	6 530	
43 375	PepsiCo Inc.	4 208	6 542	
		21 958	26 010	7.9
Energy				
45 475	Chevron Corp.	5 295	6 756	
47 320	Diamondback Energy Inc.	7 317	5 992	
53 415	EOG Resources Inc.	5 830	6 360	
73 460	Halliburton Co.	5 595	2 664	
		24 037	21 772	6.6
Financials				
65 625	Arthur J. Gallagher & Co.	5 519	6 603	
360 500	Bank of America Corp.	6 744	12 139	
41 300	Chubb Ltd.	5 834	7 285	
64 675	Intercontinental Exchange, Inc.	4 404	6 651	
90 330	JPMorgan Chase & Co.	5 031	12 052	
99 900	Morgan Stanley	7 203	5 410	
108 500	U.S. Bancorp	7 724	6 771	
110 805	Wells Fargo & Company	5 188	6 973	
101 735	Western Alliance Bancorp	6 933	5 485	
		54 580	69 369	21.2
Health Care				
70 440	Abbott Laboratories	3 062	6 956	
27 518	Becton Dickinson & Co.	5 171	8 463	
134 865	CVS Health Corp.	14 275	12 063	
64 370	Johnson & Johnson	6 620	11 342	
66 585	Medtronic Plc.	7 026	8 270	
19 739	UnitedHealth Group Incorporated	5 938	6 715	
		42 092	53 809	16.4
Industrials				
15 398	Boeing Co.	1 647	6 779	
23 700	FedEx Corporation	4 004	5 217	
29 975	General Dynamics Corp.	5 621	6 433	
55 705	Honeywell International Inc.	6 185	10 048	
18 140	Northrop Grumman Corp.	7 645	6 064	
35 710	Union Pacific Corp.	1 929	6 739	
		27 031	41 280	12.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
28 710	Apple Inc.	\$ 7 510	\$ 6 190	
51 437	Booz Allen Hamilton Holding Corp.	1 902	3 164	
18 142	Lam Research Corp.	2 328	3 373	
47 640	Microsoft Corp.	4 603	6 612	
41 636	Motorola Solutions Inc.	4 737	6 539	
110 900	Oracle Corporation	5 976	6 836	
		27 056	32 714	10.0
Real Estate				
43 590	Crown Castle International Corp.			
	Real Estate Investment Trust	6 477	6 465	
14 045	Public Storage Inc. Real Estate Investment Trust	4 422	3 881	
28 275	Simon Property Group Inc.	6 928	6 485	
		17 827	16 831	5.1
Utilities				
93 160	CMS Energy Corp.	5 391	6 313	
41 690	DTE Energy Company	6 631	6 278	
27 255	NextEra Energy Inc.	2 344	6 468	
66 550	WEC Energy Group Inc.	3 617	6 291	
		17 983	25 350	7.8
TOTAL COMMON EQUITIES		\$ 262 879	319 167	97.4
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			8 498	2.6
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 327 665	100.0	

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 319 167	\$ 364 504
Cash	8 267	5 927
Subscriptions receivable	79	21
Dividends receivable, interest accrued and other assets	332	234
TOTAL ASSETS	327 845	370 686
LIABILITIES		
Redemptions payable	139	44
Accounts payable and accrued expenses	41	33
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	180	77
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 327 665	\$ 370 609
Investments at cost	\$ 262 879	\$ 264 493
NAV		
SERIES F	\$ 10 775	\$ 1 359
SERIES O	\$ 316 890	\$ 369 250
NAV PER UNIT		
SERIES F	\$ 262.11	\$ 285.54
SERIES O	\$ 264.97	\$ 288.88

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 8 517	\$ 7 657
Interest for distribution purposes	68	17
Income from investment trusts	408	—
Net realized gain (loss) on investments	44 466	40 400
Change in unrealized gain (loss) on investments	(43 723)	605
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	9 736	48 679
Securities lending revenue		
(see note 7 in the generic notes)	25	28
Net gain (loss) on foreign cash balances	759	(360)
TOTAL OTHER INCOME (LOSS)	784	(332)
TOTAL INCOME (LOSS)	10 520	48 347
EXPENSES (see notes – Fund Specific Information)		
Management fees	56	11
Administration fees	340	329
Independent Review Committee costs	2	3
GST/HST	40	34
Transaction costs	102	92
Withholding tax	1 179	1 090
TOTAL EXPENSES	1 719	1 559
INCREASE (DECREASE) IN NAV	\$ 8 801	\$ 46 788
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (550)	\$ 136
SERIES O	\$ 9 351	\$ 46 652
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (29.76)	\$ 35.12
SERIES O	\$ 7.53	\$ 35.15

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 8 801	\$ 46 788
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(44 349)	(40 306)
Change in unrealized loss (gain) on investments	43 723	(605)
(Increase) decrease in accrued receivables	(98)	49
Increase (decrease) in accrued payables	8	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(122 333)	(92 250)
Proceeds from sale and maturity of investments	168 296	130 737
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	54 048	44 413
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	46 981	39 527
Cash paid on redemption of redeemable units	(67 451)	(74 130)
Distributions paid to holders of redeemable units	(31 238)	(12 374)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (51 708)	\$ (46 977)
Net increase (decrease) in cash for the period	2 340	(2 564)
Cash (bank overdraft), beginning of period	5 927	8 491
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 8 267	\$ 5 927
Interest received (paid)	\$ 68	\$ 17
Dividends received, net of withholding taxes	\$ 7 240	\$ 6 616

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 1 359	\$ 1 017	\$ 369 250	\$ 370 299	\$ 370 609	\$ 371 316
INCREASE (DECREASE) IN NAV	(550)	136	9 351	46 652	8 801	46 788
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	10 429	627	36 610	38 037	47 039	38 664
Reinvestments of distributions to holders of redeemable units	890	17	5 199	2 280	6 089	2 297
Redemption of redeemable units	(404)	(402)	(67 142)	(73 383)	(67 546)	(73 785)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10 915	242	(25 333)	(33 066)	(14 418)	(32 824)
Distributions from net income	(50)	(6)	(7 105)	(6 273)	(7 155)	(6 279)
Distributions from net gains	(899)	(30)	(29 273)	(8 362)	(30 172)	(8 392)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(949)	(36)	(36 378)	(14 635)	(37 327)	(14 671)
NET INCREASE (DECREASE) IN NAV	9 416	342	(52 360)	(1 049)	(42 944)	(707)
NAV AT END OF PERIOD	\$ 10 775	\$ 1 359	\$ 316 890	\$ 369 250	\$ 327 665	\$ 370 609

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	21.2	21.9
Health Care	16.4	11.5
Industrials	12.6	10.6
Information Technology	10.0	15.1
Consumer Staples	7.9	11.8
Utilities	7.8	4.1
Communication Services	7.7	3.4
Energy	6.6	8.1
Real Estate	5.1	4.1
Consumer Discretionary	2.1	6.0
Materials	—	1.8
Cash/Other	2.6	1.6
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.8	99.7
Total	99.8	99.7

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 1000 Index (CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	319 167	—	—	319 167
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	319 167	—	—	319 167
% of total portfolio	100.0	—	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	364 504	—	—	364 504
Underlying funds	—	—	—	—
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	364 504	—	—	364 504
% of total portfolio	100.0	—	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.00%	0.10%
Series O	n/a*	0.09%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	5	4
Issued number of units	34	2
Reinvested number of units	3	—
Redeemed number of units	(1)	(1)
Ending number of units	41	5
Series O		
Opening units	1 278	1 398
Issued number of units	124	138
Reinvested number of units	19	8
Redeemed number of units	(225)	(266)
Ending number of units	1 196	1 278

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	102	100	92	100
Related-party brokerage commissions*	3	3	2	2
Commission arrangements†	35	34	88	96

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	23 162	42 786
Fair value of collateral received	23 625	43 641

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	35	100	43	100
RBC IS (paid)	(9)	(25)	(12)	(27)
Tax withheld	(1)	(3)	(3)	(6)
Fund revenue	25	72	28	67

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Private U.S. Large-Cap Value Equity		
Currency Neutral Pool	5.0	5.2



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

**RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY
CURRENCY NEUTRAL POOL**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
61 993	RBC Private U.S. Large-Cap Value Equity Pool*	\$ 15 026	\$ 16 426	
TOTAL UNDERLYING FUNDS		15 026	16 426	104.3
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	92	0.6
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(820)	(5.2)
TOTAL PORTFOLIO		<u>\$ 15 026</u>	15 698	99.7
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			43	0.3
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 15 741</u>		100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought USD 151 Sold CAD 200 @ 0.7536	10-Jan-2019	\$ 6
Bought USD 243 Sold CAD 315 @ 0.7702	11-Jan-2019	16
Bought USD 113 Sold CAD 150 @ 0.7502	11-Jan-2019	4
Bought USD 1 310 Sold CAD 1 780 @ 0.7358	11-Jan-2019	8
Bought USD 55 Sold CAD 75 @ 0.7335	11-Jan-2019	—
Bought USD 230 Sold CAD 300 @ 0.7675	16-Jan-2019	14
Bought USD 227 Sold CAD 300 @ 0.7564	16-Jan-2019	10
Bought USD 57 Sold CAD 75 @ 0.7572	18-Jan-2019	2
Bought USD 26 Sold CAD 35 @ 0.7472	18-Jan-2019	1
Bought CAD 160 Sold USD 117 @ 1.3628	23-Jan-2019	—
Bought USD 161 Sold CAD 215 @ 0.7473	30-Jan-2019	4
Bought USD 269 Sold CAD 365 @ 0.7363	05-Feb-2019	2
Bought USD 165 Sold CAD 220 @ 0.7482	12-Feb-2019	4
Bought USD 294 Sold CAD 400 @ 0.7361	12-Feb-2019	2
Bought USD 36 Sold CAD 48 @ 0.7525	13-Feb-2019	1
Bought USD 166 Sold CAD 220 @ 0.7528	13-Feb-2019	6
Bought USD 56 Sold CAD 75 @ 0.7463	13-Feb-2019	1
Bought USD 274 Sold CAD 370 @ 0.7395	13-Feb-2019	3
Bought USD 112 Sold CAD 150 @ 0.7467	19-Feb-2019	3
Bought USD 335 Sold CAD 450 @ 0.7435	07-Mar-2019	5
		<u>\$ 92</u>

Contracts	Maturity Date	Unrealized Loss
Bought CAD 1 804 Sold USD 1 384 @ 1.3035	10-Jan-2019	\$ (85)
Bought CAD 5 823 Sold USD 4 470 @ 1.3026	11-Jan-2019	(279)
Bought CAD 300 Sold USD 229 @ 1.3083	11-Jan-2019	(13)
Bought CAD 3 627 Sold USD 2 798 @ 1.2964	16-Jan-2019	(191)
Bought CAD 200 Sold USD 153 @ 1.3049	16-Jan-2019	(9)
Bought CAD 533 Sold USD 416 @ 1.2800	18-Jan-2019	(35)
Bought CAD 150 Sold USD 115 @ 1.3098	18-Jan-2019	(6)
Bought CAD 300 Sold USD 228 @ 1.3154	23-Jan-2019	(11)
Bought CAD 5 177 Sold USD 3 882 @ 1.3334	11-Feb-2019	(118)
Bought CAD 891 Sold USD 681 @ 1.3088	13-Feb-2019	(37)
Bought CAD 2 030 Sold USD 1 515 @ 1.3402	07-Mar-2019	(36)
		<u>\$ (820)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (728)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).



**RBC PRIVATE U.S. LARGE-CAP VALUE EQUITY
CURRENCY NEUTRAL POOL**

Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 16 426	\$ 19 329
Cash	59	34
Subscriptions receivable	74	53
Unrealized gain on foreign exchange contracts	92	376
TOTAL ASSETS	16 651	19 792
LIABILITIES		
Redemptions payable	90	5
Unrealized loss on foreign exchange contracts	820	21
Accounts payable and accrued expenses	—	1
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	910	27
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 15 741	\$ 19 765
Investments at cost	\$ 15 026	\$ 15 213
NAV		
SERIES 0	\$ 15 741	\$ 19 765
NAV PER UNIT		
SERIES 0	\$ 14.87	\$ 18.22

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Income from investment trusts	\$ 1 944	\$ 791
Derivative income	(736)	709
Net realized gain (loss) on investments	1 194	1 034
Change in unrealized gain (loss) on investments	(3 799)	1 152
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(1 397)	3 686
Net gain (loss) on foreign cash balances	3	(5)
TOTAL OTHER INCOME (LOSS)	3	(5)
TOTAL INCOME (LOSS)	(1 394)	3 681
EXPENSES (see notes – Fund Specific Information)		
Administration fees	8	8
Independent Review Committee costs	2	3
GST/HST	1	1
Expenses reimbursed by manager	(2)	(3)
TOTAL EXPENSES	9	9
INCREASE (DECREASE) IN NAV	\$ (1 403)	\$ 3 672
INCREASE (DECREASE) IN NAV SERIES 0	\$ (1 403)	\$ 3 672
INCREASE (DECREASE) IN NAV PER UNIT SERIES 0	\$ (1.27)	\$ 3.30

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (1 403)	\$ 3 672
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(1 944)	(791)
Net realized loss (gain) on investments	(1 194)	(1 034)
Change in unrealized loss (gain) on investments	3 799	(1 152)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(1)	(1)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(5 430)	(5 177)
Proceeds from sale and maturity of investments	8 755	6 897
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2 582	2 414
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	3 272	2 059
Cash paid on redemption of redeemable units	(3 826)	(2 999)
Distributions paid to holders of redeemable units	(2 003)	(1 502)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (2 557)	\$ (2 442)
Net increase (decrease) in cash for the period	25	(28)
Cash (bank overdraft), beginning of period	34	62
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 59	\$ 34
Interest received (paid)	\$ —	\$ —
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 19 765	\$ 18 486
INCREASE (DECREASE) IN NAV	(1 403)	3 672
Early redemption fees	—	—
Proceeds from redeemable units issued	3 293	2 110
Reinvestments of distributions to holders of redeemable units	128	121
Redemption of redeemable units	(3 911)	(3 001)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(490)	(770)
Distributions from net income	(371)	(321)
Distributions from net gains	(1 760)	(1 302)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(2 131)	(1 623)
NET INCREASE (DECREASE) IN NAV	(4 024)	1 279
NAV AT END OF PERIOD	\$ 15 741	\$ 19 765

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests in the RBC Private U.S. Large-Cap Value Equity Pool. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Financials	21.2	21.9
Health Care	16.4	11.5
Industrials	12.6	10.6
Information Technology	10.0	15.1
Consumer Staples	7.9	11.8
Utilities	7.8	4.1
Communication Services	7.7	3.4
Energy	6.6	8.1
Real Estate	5.1	4.1
Consumer Discretionary	2.1	6.0
Materials	–	1.8
Cash/Other	2.6	1.6
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 1000 Index (hedged to CAD)	+ or - 0.9	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	16 426	–	–	16 426
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	92	–	92
Derivatives – liabilities	–	(820)	–	(820)
Total financial instruments	16 426	(728)	–	15 698
% of total portfolio	104.6	(4.6)	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	–	–	–	–
Underlying funds	19 329	–	–	19 329
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	376	–	376
Derivatives – liabilities	–	(21)	–	(21)
Total financial instruments	19 329	355	–	19 684
% of total portfolio	98.2	1.8	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.05%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private U.S. Large-Cap Value Equity Pool	104.3	5.0	97.8	5.2

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	1 085	1 127
Issued number of units	180	121
Reinvested number of units	9	7
Redeemed number of units	(215)	(170)
Ending number of units	1 059	1 085

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	92	(820)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	92	(820)
Related amounts not set-off	(85)	85
Collateral (received) pledged	–	–
Net amount	7	(735)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	376	(21)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	376	(21)
Related amounts not set-off	(21)	21
Collateral (received) pledged	–	–
Net amount	355	–



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE U.S. GROWTH EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
10 588	Alphabet Inc., Class C	\$ 5 046	\$ 14 991	
110 617	Electronic Arts Inc.	15 663	11 916	
		<u>20 709</u>	<u>26 907</u>	<u>6.6</u>
Consumer Discretionary				
9 136	Amazon.com, Inc.	5 057	18 733	
5 236	Booking Holdings Inc.	12 902	12 319	
179 287	TJX Companies Inc.	8 979	10 951	
		<u>26 938</u>	<u>42 003</u>	<u>10.3</u>
Consumer Staples				
43 666	Costco Wholesale Corp.	5 930	12 145	
67 077	Estée Lauder Companies Inc., Class A	5 731	11 914	
		<u>11 661</u>	<u>24 059</u>	<u>5.9</u>
Health Care				
93 567	Danaher Corp.	6 108	13 172	
77 033	DexCom Inc.	7 182	12 599	
49 759	Edwards Lifesciences Corp.	6 531	10 406	
25 932	Intuitive Surgical Inc.	4 747	16 962	
50 213	Thermo Fisher Scientific Inc.	10 550	15 338	
161 589	Zoetis Inc.	12 600	18 870	
		<u>47 718</u>	<u>87 347</u>	<u>21.5</u>
Industrials				
126 410	BWX Technologies Inc.	8 930	6 595	
49 668	Cintas Corp.	11 027	11 397	
140 779	Fortive Corp.	8 569	13 004	
40 379	Roper Technologies Inc.	9 607	14 686	
		<u>38 133</u>	<u>45 682</u>	<u>11.2</u>
Information Technology				
38 188	Adobe Inc.	4 729	11 802	
105 338	Amphenol Corp., Class A	3 962	11 648	
63 387	Autodesk Inc.	11 219	11 141	
23 268	FleetCor Technologies Inc.	4 738	5 899	
258 485	Genpact Ltd.	5 966	9 519	
59 642	Intuit Inc.	10 202	16 028	
87 689	Microsoft Corp.	11 834	12 171	
78 494	NXP Semiconductor N.V.	9 160	7 853	
142 611	PayPal Holdings Inc.	7 610	16 384	
81 147	Salesforce.com Inc.	4 321	15 174	
103 558	Visa Inc., Class A	5 154	18 660	
		<u>78 895</u>	<u>136 279</u>	<u>33.5</u>

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
25 802	Sherwin-Williams Co.	\$ 13 284	\$ 13 857	
		<u>13 284</u>	<u>13 857</u>	<u>3.4</u>
Real Estate				
66 765	SBA Communications Corp., Class A Real Estate Investment Trust	9 149	14 759	
		<u>9 149</u>	<u>14 759</u>	<u>3.6</u>
TOTAL COMMON EQUITIES				
		<u>\$ 246 487</u>	<u>390 893</u>	<u>96.0</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			<u>16 365</u>	<u>4.0</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$ 407 258</u>	<u>100.0</u>	

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 390 893	\$ 368 095
Cash	16 338	7 509
Subscriptions receivable	223	106
Dividends receivable, interest accrued and other assets	77	84
TOTAL ASSETS	407 531	375 794
LIABILITIES		
Redemptions payable	235	127
Accounts payable and accrued expenses	38	27
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	273	154
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 407 258	\$ 375 640
Investments at cost	\$ 246 487	\$ 229 940
NAV		
SERIES F	\$ 13 031	\$ 2 562
SERIES O	\$ 394 227	\$ 373 078
NAV PER UNIT		
SERIES F	\$ 211.21	\$ 184.40
SERIES O	\$ 220.22	\$ 190.77

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 806	\$ 2 061
Interest for distribution purposes	175	43
Net realized gain (loss) on investments	49 867	23 176
Change in unrealized gain (loss) on investments	6 251	48 909
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	58 099	74 189
Securities lending revenue (see note 7 in the generic notes)	94	59
Net gain (loss) on foreign cash balances	927	(1 056)
TOTAL OTHER INCOME (LOSS)	1 021	(997)
TOTAL INCOME (LOSS)	59 120	73 192
EXPENSES (see notes – Fund Specific Information)		
Management fees	76	18
Administration fees	300	247
Independent Review Committee costs	2	3
GST/HST	37	27
Transaction costs	51	82
Withholding tax	256	305
TOTAL EXPENSES	722	682
INCREASE (DECREASE) IN NAV	\$ 58 398	\$ 72 510
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (298)	\$ 409
SERIES O	\$ 58 696	\$ 72 101
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (8.64)	\$ 38.60
SERIES O	\$ 31.21	\$ 35.66

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 58 398	\$ 72 510
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(49 679)	(22 993)
Change in unrealized loss (gain) on investments	(6 251)	(48 909)
(Increase) decrease in accrued receivables	7	40
Increase (decrease) in accrued payables	11	3
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(104 239)	(112 019)
Proceeds from sale and maturity of investments	137 371	144 805
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	35 618	33 437
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	76 602	38 938
Cash paid on redemption of redeemable units	(102 201)	(75 628)
Distributions paid to holders of redeemable units	(1 190)	(1 296)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (26 789)	\$ (37 986)
Net increase (decrease) in cash for the period	8 829	(4 549)
Cash (bank overdraft), beginning of period	7 509	12 058
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 16 338	\$ 7 509
Interest received (paid)	\$ 175	\$ 43
Dividends received, net of withholding taxes	\$ 1 557	\$ 1 796

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 562	\$ 1 043	\$ 373 078	\$ 339 941	\$ 375 640	\$ 340 984
INCREASE (DECREASE) IN NAV	(298)	409	58 696	72 101	58 398	72 510
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	11 679	3 827	65 040	39 221	76 719	43 048
Reinvestments of distributions to holders of redeemable units	—	—	191	254	191	254
Redemption of redeemable units	(912)	(2 717)	(101 397)	(76 889)	(102 309)	(79 606)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	10 767	1 110	(36 166)	(37 414)	(25 399)	(36 304)
Distributions from net income	—	—	(1 381)	(1 550)	(1 381)	(1 550)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	—	—	(1 381)	(1 550)	(1 381)	(1 550)
NET INCREASE (DECREASE) IN NAV	10 469	1 519	21 149	33 137	31 618	34 656
NAV AT END OF PERIOD	\$ 13 031	\$ 2 562	\$ 394 227	\$ 373 078	\$ 407 258	\$ 375 640

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	33.5	41.4
Health Care	21.5	17.8
Industrials	11.2	12.5
Consumer Discretionary	10.3	12.8
Communication Services	6.6	–
Consumer Staples	5.9	6.5
Real Estate	3.6	3.6
Materials	3.4	3.4
Cash/Other	4.0	2.0
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	99.4	99.8
Total	99.4	99.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 1000 Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	390 893	–	–	390 893
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	390 893	–	–	390 893
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	368 095	–	–	368 095
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	368 095	–	–	368 095
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.00%	0.10%
Series O	n/a*	0.07%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	38 762
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	14	7
Issued number of units	52	22
Reinvested number of units	—	—
Redeemed number of units	(4)	(15)
Ending number of units	62	14

Series O

Opening units	1 956	2 178
Issued number of units	293	220
Reinvested number of units	1	1
Redeemed number of units	(460)	(443)
Ending number of units	1 790	1 956

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	51	100	82	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	9	18	21	26

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	38 382	45 669
Fair value of collateral received	39 150	46 583

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	127	100	98	100
RBC IS (paid)	(31)	(25)	(30)	(30)
Tax withheld	(2)	(2)	(9)	(10)
Fund revenue	94	73	59	60



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE U.S. LARGE-CAP CORE EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Communication Services				
50 002	Activision Blizzard Inc.	\$ 4 726	\$ 3 181	
56 343	Alphabet Inc., Class C	47 723	79 779	
40 238	Charter Communications Inc.	16 826	15 659	
226 336	Comcast Corp., Class A	11 193	10 521	
68 002	Electronic Arts Inc.	10 822	7 326	
229 962	Facebook Inc., Class A	36 811	41 225	
172 016	The Walt Disney Company	25 093	25 752	
427 524	Verizon Communications Inc.	29 479	32 812	
		<u>182 673</u>	<u>216 255</u>	9.6
Consumer Discretionary				
33 196	Amazon.com, Inc.	22 584	68 067	
9 053	Autozone Inc.	9 123	10 363	
65 387	Dollar General Corp.	9 170	9 650	
74 439	Dollar Tree Inc.	7 764	9 179	
93 049	Home Depot Inc.	18 300	21 837	
45 268	Mohawk Industries Inc.	12 621	7 226	
103 611	Nike Inc.	8 862	10 485	
75 444	PVH Corp.	10 850	9 573	
150 892	Ross Stores Inc.	14 765	17 139	
57 339	Royal Caribbean Cruises Ltd.	9 006	7 654	
216 276	Tapestry Inc.	13 217	9 965	
23 388	Ulta Salon, Cosmetics & Fragrance, Inc.	7 935	7 818	
		<u>144 197</u>	<u>188 956</u>	8.4
Consumer Staples				
71 522	Colgate-Palmolive Company	7 278	5 812	
26 758	Costco Wholesale Corp.	5 482	7 442	
67 701	Coty Inc.	1 645	606	
51 750	Estée Lauder Companies Inc., Class A	9 783	9 191	
109 521	Kimberly-Clark Corp.	16 798	17 043	
333 438	Mondelez International Inc.	19 606	18 222	
111 789	PepsiCo Inc.	14 241	16 861	
118 701	Philip Morris International Inc.	16 473	10 818	
310 230	The Coca-Cola Co.	18 102	20 054	
45 971	The Kraft Heinz Co.	5 363	2 701	
117 822	The Kroger Co.	4 418	4 423	
207 243	The Procter & Gamble Co.	23 546	26 015	
77 357	Tyson Foods Inc.	6 571	5 642	
51 505	Walgreens Boots Alliance Inc.	5 732	4 807	
161 985	Walmart Inc.	16 899	20 599	
		<u>171 937</u>	<u>170 236</u>	7.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Energy				
85 505	Chevron Corp.	\$ 12 504	\$ 12 702	
256 514	ConocoPhillips	18 079	21 835	
118 701	EOG Resources Inc.	15 683	14 132	
463 843	Exxon Mobil Corp.	51 096	43 196	
256 514	Halliburton Co.	15 824	9 303	
274 017	Kinder Morgan Inc.	6 454	5 753	
477 820	Marathon Oil Corp.	12 992	9 354	
10 977	Pioneer Natural Resources Co.	2 217	1 971	
		<u>134 849</u>	<u>118 246</u>	5.3
Financials				
33 140	American Express Company	4 917	4 312	
108 764	American International Group Inc.	8 571	5 852	
44 633	Aon Plc.	8 053	8 858	
1 254 053	Bank of America Corp.	28 679	42 227	
153 507	Berkshire Hathaway Inc., Class B	33 543	42 839	
22 603	BlackRock Inc.	12 424	12 129	
71 421	Capital One Financial Corp.	8 291	7 368	
73 534	Chubb Ltd.	12 165	12 971	
141 764	Citigroup Inc.	10 094	10 073	
25 048	CME Group Inc., Class A	3 907	6 433	
70 818	Comerica Inc.	9 124	6 640	
38 025	Discover Financial Services	2 991	3 062	
180 111	E*TRADE Financial Corp.	13 333	10 793	
370 688	JPMorgan Chase & Co.	43 380	49 458	
89 528	MetLife Inc.	5 901	5 019	
318 011	Morgan Stanley	19 345	17 221	
32 794	PNC Bank Corp.	5 486	5 233	
73 433	State Street Corp.	9 023	6 323	
139 480	Suntrust Banks Inc.	8 344	9 608	
91 640	The Charles Schwab Corporation	5 313	5 198	
48 285	The Progressive Corp.	2 601	3 977	
85 203	U.S. Bancorp	5 845	5 318	
455 489	Wells Fargo & Company	32 485	28 663	
		<u>293 815</u>	<u>309 575</u>	13.8
Health Care				
306 811	Abbott Laboratories	16 554	30 296	
68 404	Anthem Inc.	13 795	24 526	
60 357	Becton Dickinson & Co.	17 740	18 563	
251 485	Boston Scientific Corp.	11 534	12 133	
157 439	Bristol-Myers Squibb Co.	13 500	11 169	
22 634	Cooper Co. Inc.	7 652	7 864	
139 239	CVS Health Corp.	15 049	12 455	
133 789	Danaher Corp.	14 614	18 835	
176 039	Eli Lilly & Co.	17 649	27 811	
250 750	Johnson & Johnson	32 023	44 182	
220 567	Medtronic Plc.	19 325	27 394	
324 276	Merck & Co. Inc.	31 280	33 853	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Health Care (cont.)				
68 103	PerkinElmer Inc.	\$ 7 626	\$ 7 303	
473 473	Pfizer Inc.	24 225	28 215	
79 379	Thermo Fisher Scientific Inc.	14 205	24 247	
122 724	UnitedHealth Group Incorporated	35 207	41 747	
56 030	Vertex Pharmaceuticals Inc.	11 041	12 676	
22 131	Zoetis Inc.	1 585	2 584	
		<u>304 604</u>	<u>385 853</u>	<u>17.2</u>
Industrials				
13 219	Boeing Co.	4 941	5 820	
85 505	Caterpillar Inc.	17 072	14 830	
135 801	CSX Corp.	12 142	11 519	
136 807	Eaton Corp Plc.	12 555	12 824	
181 070	Emerson Electric Co.	16 170	14 776	
119 603	Honeywell International Inc.	14 798	21 573	
100 593	Ingersoll-Rand Plc., Class A	12 647	12 524	
70 416	Jacobs Engineering Group Inc.	6 568	5 620	
19 935	Resideo Technologies Inc.	725	559	
5 684	Rockwell Automation Inc.	1 097	1 168	
68 404	Stanley Black & Decker Inc.	12 203	11 183	
158 033	Union Pacific Corp.	18 071	29 823	
80 978	United Continental Holdings Inc.	9 058	9 256	
22 131	United Technologies Corp.	3 612	3 217	
		<u>141 659</u>	<u>154 692</u>	<u>6.9</u>
Information Technology				
48 990	Accenture Plc., Class A	8 523	9 431	
69 580	Adobe Inc.	13 196	21 504	
255 423	Advanced Micro Devices Inc.	7 012	6 437	
332 415	Apple Inc.	47 490	71 673	
89 427	Applied Materials Inc.	5 209	4 000	
52 746	Autodesk Inc.	9 204	9 271	
31 788	Broadcom Inc.	7 032	11 035	
533 549	Cisco Systems Inc.	22 584	31 616	
66 996	Citrix Systems Inc.	9 136	9 371	
47 078	Cognizant Technology Solutions Corp., Class A	3 699	4 081	
217 282	Corning Inc.	9 013	8 961	
70 416	DXC Technology Co.	7 882	5 111	
61 061	Fidelity National Information Services Inc.	8 481	8 545	
32 844	Gartner Inc.	5 209	5 732	
312 618	Intel Corp.	16 370	20 044	
32 592	International Business Machines	6 223	5 055	
20 999	Intuit Inc.	5 454	5 643	
12 429	Lam Research Corp.	1 241	2 311	
74 640	Mastercard Inc.	15 553	19 223	
42 254	Micron Technology Inc.	2 321	1 830	
682 358	Microsoft Corp.	45 534	94 707	
71 245	Nvidia Corp.	17 858	12 985	
242 833	Oracle Corporation	13 586	14 968	
94 097	PayPal Holdings Inc.	9 747	10 811	
81 381	QUALCOMM Inc.	5 731	6 323	
61 261	Salesforce.com Inc.	6 643	11 455	
74 943	Texas Instruments Inc.	7 468	9 669	
39 908	Verisign Inc.	8 656	8 082	
191 575	Visa Inc., Class A	16 160	34 519	
		<u>342 215</u>	<u>464 393</u>	<u>20.7</u>

Holdings	Security	Cost	Fair Value	% of Net Assets
Materials				
78 162	Air Products & Chemicals Inc.	\$ 15 571	\$ 17 082	
310 495	DowDuPont Inc.	26 711	22 670	
68 002	LyondellBasell Industries N.V.	9 594	7 722	
168 092	Newmont Mining Corporation	8 573	7 951	
131 067	The Mosaic Co.	6 317	5 227	
		<u>66 766</u>	<u>60 652</u>	<u>2.7</u>
Real Estate				
46 775	Crown Castle International Corp. Real Estate Investment Trust	6 459	6 938	
64 480	Extra Space Storage Inc. Real Estate Investment Trust	7 251	7 965	
80 676	Federal Realty Investment Trust	13 208	13 001	
43 456	ProLogis Inc. Trust	3 433	3 485	
30 782	Simon Property Group Inc.	6 193	7 060	
55 629	SL Green Realty Corp. Real Estate Investment Trust	6 901	6 007	
		<u>43 445</u>	<u>44 456</u>	<u>2.0</u>
Utilities				
53 315	Dominion Energy Inc.	5 128	5 203	
44 061	DTE Energy Company	5 915	6 635	
44 463	Edison International	3 986	3 445	
278 342	FirstEnergy Corporation	11 335	14 263	
28 670	NextEra Energy Inc.	4 589	6 804	
37 924	Public Service Enterprise Group	2 557	2 695	
145 157	Xcel Energy Inc.	8 971	9 764	
		<u>42 481</u>	<u>48 809</u>	<u>2.2</u>
TOTAL COMMON EQUITIES		<u>1 868 641</u>	<u>2 162 123</u>	<u>96.4</u>
SHORT-TERM INVESTMENTS*		<u>77 629</u>	<u>77 595</u>	<u>3.5</u>
TOTAL INVESTMENTS		<u>\$1 946 270</u>	<u>2 239 718</u>	<u>99.9</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>1 991</u>	<u>0.1</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>\$2 241 709</u>	<u>100.0</u>

* Short-term investments, which may be made up of treasury bills, commercial paper, term deposits and discount notes, earn interest at a rate of 2.40% and mature on January 2, 2019.

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 2 239 718	\$ 2 216 053
Cash	288	252
Due from investment dealers	10 864	22 447
Subscriptions receivable	748	1 683
Dividends receivable, interest accrued and other assets	2 182	1 127
TOTAL ASSETS	2 253 800	2 241 562
LIABILITIES		
Due to investment dealers	11 197	5 631
Redemptions payable	649	1 322
Distributions payable	14	—
Accounts payable and accrued expenses	231	226
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	12 091	7 179
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 2 241 709	\$ 2 234 383
Investments at cost	\$ 1 946 270	\$ 1 831 075
NAV		
SERIES F	\$ 27 560	\$ 24 226
SERIES O	\$ 2 214 149	\$ 2 210 157
NAV PER UNIT		
SERIES F	\$ 22.54	\$ 23.32
SERIES O	\$ 22.78	\$ 23.57

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 40 845	\$ 35 009
Interest for distribution purposes	1 800	652
Income from investment trusts	1 201	—
Derivative income	(173)	11
Net realized gain (loss) on investments	136 360	170 735
Change in unrealized gain (loss) on investments	(91 530)	114 929
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	88 503	321 336
Securities lending revenue (see note 7 in the generic notes)	107	110
Net gain (loss) on foreign cash balances	9 755	(2 900)
TOTAL OTHER INCOME (LOSS)	9 862	(2 790)
TOTAL INCOME (LOSS)	98 365	318 546
EXPENSES (see notes – Fund Specific Information)		
Management fees	164	136
Administration fees	2 420	2 097
Independent Review Committee costs	2	3
GST/HST	249	214
Transaction costs	960	1 622
Withholding tax	5 567	4 882
TOTAL EXPENSES	9 362	8 954
INCREASE (DECREASE) IN NAV	\$ 89 003	\$ 309 592
INCREASE (DECREASE) IN NAV		
SERIES F	\$ 653	\$ 3 288
SERIES O	\$ 88 350	\$ 306 304
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ 0.59	\$ 3.29
SERIES O	\$ 0.92	\$ 3.40

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 89 003	\$ 309 592
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(135 370)	(169 214)
Change in unrealized loss (gain) on investments	91 530	(114 929)
(Increase) decrease in accrued receivables	(1 055)	1 326
Increase (decrease) in accrued payables	5	41
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(25 131 349)	(16 152 759)
Proceeds from sale and maturity of investments	25 168 673	16 138 060
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	81 437	12 117
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	360 812	269 445
Cash paid on redemption of redeemable units	(395 207)	(247 661)
Distributions paid to holders of redeemable units	(47 006)	(33 650)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (81 401)	\$ (11 866)
Net increase (decrease) in cash for the period	36	251
Cash (bank overdraft), beginning of period	252	1
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 288	\$ 252
Interest received (paid)	\$ 1 799	\$ 648
Dividends received, net of withholding taxes	\$ 34 343	\$ 31 457

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 24 226	\$ 20 497	\$ 2 210 157	\$ 1 915 981	\$ 2 234 383	\$ 1 936 478
INCREASE (DECREASE) IN NAV	653	3 288	88 350	306 304	89 003	309 592
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	10 990	9 155	349 147	268 311	360 137	277 466
Reinvestments of distributions to holders of redeemable units	694	367	109 696	87 557	110 390	87 924
Redemption of redeemable units	(7 228)	(7 864)	(387 566)	(247 639)	(394 794)	(255 503)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	4 456	1 658	71 277	108 229	75 733	109 887
Distributions from net income	(228)	(172)	(33 505)	(29 284)	(33 733)	(29 456)
Distributions from net gains	(1 547)	(1 045)	(122 130)	(91 073)	(123 677)	(92 118)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(1 775)	(1 217)	(155 635)	(120 357)	(157 410)	(121 574)
NET INCREASE (DECREASE) IN NAV	3 334	3 729	3 992	294 176	7 326	297 905
NAV AT END OF PERIOD	\$ 27 560	\$ 24 226	\$ 2 214 149	\$ 2 210 157	\$ 2 241 709	\$ 2 234 383

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is to provide long-term total returns consisting primarily of capital appreciation by investing in common stocks of U.S. corporations.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	20.7	23.3
Health Care	17.2	13.2
Financials	13.8	15.1
Communication Services	9.6	1.5
Consumer Discretionary	8.4	13.6
Consumer Staples	7.6	7.9
Industrials	6.9	10.9
Energy	5.3	6.5
Materials	2.7	2.3
Utilities	2.2	1.9
Real Estate	2.0	1.4
Cash/Other	3.6	2.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	100.0	100.0
Total	100.0	100.0

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (CAD)	+ or - 1.1	+ or - 1.1

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	2 162 123	–	–	2 162 123
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	77 595	–	77 595
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 162 123	77 595	–	2 239 718
% of total portfolio	96.5	3.5	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	2 180 421	–	–	2 180 421
Underlying funds	–	–	–	–
Fixed-income and debt securities	–	–	–	–
Short-term investments	–	35 632	–	35 632
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	2 180 421	35 632	–	2 216 053
% of total portfolio	98.4	1.6	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	0.60%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	137	128
Value of all units	3	3

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	1 039	963
Issued number of units	445	399
Reinvested number of units	31	15
Redeemed number of units	(292)	(338)
Ending number of units	1 223	1 039
Series O		
Opening units	93 782	89 080
Issued number of units	14 109	11 803
Reinvested number of units	4 819	3 669
Redeemed number of units	(15 521)	(10 770)
Ending number of units	97 189	93 782

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	960	100	1 622	100
Related-party brokerage commissions*	94	10	126	8
Commission arrangements†	107	11	198	12

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	111 241	100 516
Fair value of collateral received	113 466	102 526

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	147	100	167	100
RBC IS (paid)	(36)	(25)	(46)	(28)
Tax withheld	(4)	(3)	(11)	(6)
Fund revenue	107	72	110	66

**Investments by other related investment funds (%)
(see note 8 in the generic notes)**

The table below summarizes, as a percentage, the NAV of the Fund owned by other related investment funds as at:

	December 31 2018	December 31 2017
RBC Private U.S. Large-Cap Core		
Equity Currency Neutral Pool	2.3	2.6
RBC Select Aggressive Growth Portfolio	3.5	3.4
RBC Select Balanced Portfolio	28.2	27.4
RBC Select Growth Portfolio	12.3	12.4
RBC Target 2020 Education Fund	0.2	0.4
RBC Target 2025 Education Fund	1.5	1.7
RBC Target 2030 Education Fund	1.6	1.5
RBC Target 2035 Education Fund	0.2	—
Total	49.8	49.4



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
**RBC PRIVATE U.S. LARGE-CAP CORE EQUITY
CURRENCY NEUTRAL POOL**

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
UNDERLYING FUNDS				
2 259 193	RBC Private U.S. Large-Cap Core Equity Pool*	\$ 46 982	\$ 51 469	
TOTAL UNDERLYING FUNDS		46 982	51 469	104.2
UNREALIZED GAIN ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	376	0.8
UNREALIZED LOSS ON FOREIGN EXCHANGE CONTRACTS (SCHEDULE A)				
		—	(2 512)	(5.1)
TOTAL PORTFOLIO		<u>\$ 46 982</u>	<u>49 333</u>	99.9
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
			42	0.1
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				
		<u>\$</u>	<u>49 375</u>	100.0

SCHEDULE A

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Gain
Bought CAD 185 Sold USD 135 @ 1.3658	02-Jan-2019	\$ —
Bought USD 363 Sold CAD 475 @ 0.7649	10-Jan-2019	21
Bought USD 108 Sold CAD 145 @ 0.7454	10-Jan-2019	3
Bought USD 539 Sold CAD 700 @ 0.7702	11-Jan-2019	36
Bought USD 239 Sold CAD 323 @ 0.7384	11-Jan-2019	3
Bought USD 1 203 Sold CAD 1 635 @ 0.7358	11-Jan-2019	7
Bought USD 100 Sold CAD 137 @ 0.7333	11-Jan-2019	—
Bought USD 140 Sold CAD 190 @ 0.7346	11-Jan-2019	1
Bought USD 1 535 Sold CAD 2 000 @ 0.7675	16-Jan-2019	95
Bought USD 89 Sold CAD 116 @ 0.7690	16-Jan-2019	6
Bought USD 529 Sold CAD 700 @ 0.7564	16-Jan-2019	23
Bought USD 1 195 Sold CAD 1 600 @ 0.7466	16-Jan-2019	30
Bought USD 135 Sold CAD 185 @ 0.7324	16-Jan-2019	—
Bought USD 50 Sold CAD 65 @ 0.7692	18-Jan-2019	3
Bought USD 114 Sold CAD 150 @ 0.7578	18-Jan-2019	5
Bought USD 187 Sold CAD 250 @ 0.7477	18-Jan-2019	5
Bought USD 560 Sold CAD 750 @ 0.7463	23-Jan-2019	14
Bought USD 55 Sold CAD 71 @ 0.7704	25-Jan-2019	4
Bought USD 688 Sold CAD 920 @ 0.7473	30-Jan-2019	18
Bought USD 810 Sold CAD 1 100 @ 0.7363	05-Feb-2019	5
Bought USD 412 Sold CAD 550 @ 0.7482	12-Feb-2019	11
Bought USD 847 Sold CAD 1 150 @ 0.7361	12-Feb-2019	4
Bought USD 680 Sold CAD 903 @ 0.7525	13-Feb-2019	24
Bought USD 414 Sold CAD 550 @ 0.7528	13-Feb-2019	15
Bought USD 224 Sold CAD 300 @ 0.7463	13-Feb-2019	5
Bought USD 769 Sold CAD 1 040 @ 0.7395	13-Feb-2019	9
Bought USD 111 Sold CAD 150 @ 0.7375	13-Feb-2019	1
Bought USD 672 Sold CAD 900 @ 0.7470	07-Mar-2019	16
Bought USD 818 Sold CAD 1 100 @ 0.7435	07-Mar-2019	12
		<u>\$ 376</u>

SCHEDULE A (cont.)

Foreign Exchange Contracts

Contracts	Maturity Date	Unrealized Loss
Bought CAD 2 014 Sold USD 1 545 @ 1.3035	10-Jan-2019	\$ (95)
Bought CAD 7 198 Sold USD 5 526 @ 1.3026	11-Jan-2019	(344)
Bought CAD 1 100 Sold USD 841 @ 1.3083	11-Jan-2019	(48)
Bought CAD 7 865 Sold USD 6 067 @ 1.2964	16-Jan-2019	(414)
Bought CAD 600 Sold USD 460 @ 1.3049	16-Jan-2019	(27)
Bought CAD 9 894 Sold USD 7 730 @ 1.2800	18-Jan-2019	(654)
Bought CAD 1 400 Sold USD 1 064 @ 1.3154	23-Jan-2019	(52)
Bought CAD 460 Sold USD 338 @ 1.3628	23-Jan-2019	(1)
Bought CAD 770 Sold USD 565 @ 1.3622	30-Jan-2019	(1)
Bought CAD 8 459 Sold USD 6 344 @ 1.3334	11-Feb-2019	(193)
Bought CAD 5 776 Sold USD 4 413 @ 1.3088	13-Feb-2019	(242)
Bought CAD 500 Sold USD 377 @ 1.3273	13-Feb-2019	(14)
Bought CAD 5 840 Sold USD 4 417 @ 1.3222	19-Feb-2019	(183)
Bought CAD 14 294 Sold USD 10 666 @ 1.3402	07-Mar-2019	(244)
		<u>\$ (2 512)</u>
TOTAL FOREIGN EXCHANGE		<u>\$ (2 136)</u>

All counterparties have a credit rating of at least A.

* Investment in related party (see note 8 in the generic notes).

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 51 469	\$ 58 689
Cash	—	68
Due from investment dealers	205	—
Subscriptions receivable	20	8
Unrealized gain on foreign exchange contracts	376	1 144
TOTAL ASSETS	52 070	59 909
LIABILITIES		
Bank overdraft	39	—
Due to investment dealers	—	63
Redemptions payable	142	—
Unrealized loss on foreign exchange contracts	2 512	73
Accounts payable and accrued expenses	2	4
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	2 695	140
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 49 375	\$ 59 769
Investments at cost	\$ 46 982	\$ 49 820
NAV		
SERIES 0	\$ 49 375	\$ 59 769
NAV PER UNIT		
SERIES 0	\$ 13.66	\$ 15.47

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Interest for distribution purposes	\$ (1)	\$ (1)
Income from investment trusts	3 846	3 350
Derivative income	(2 429)	2 222
Net realized gain (loss) on investments	3 254	3 973
Change in unrealized gain (loss) on investments	(7 589)	3 677
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(2 919)	13 221
Net gain (loss) on foreign cash balances	5	35
TOTAL OTHER INCOME (LOSS)	5	35
TOTAL INCOME (LOSS)	(2 914)	13 256
EXPENSES (see notes – Fund Specific Information)		
Administration fees	32	29
Independent Review Committee costs	2	3
GST/HST	3	3
TOTAL EXPENSES	37	35
INCREASE (DECREASE) IN NAV	\$ (2 951)	\$ 13 221
INCREASE (DECREASE) IN NAV SERIES 0	\$ (2 951)	\$ 13 221
INCREASE (DECREASE) IN NAV PER UNIT SERIES 0	\$ (0.74)	\$ 3.10



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (2 951)	\$ 13 221
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	(3 846)	(3 350)
Net realized loss (gain) on investments	(3 254)	(3 973)
Change in unrealized loss (gain) on investments	7 589	(3 677)
(Increase) decrease in accrued receivables	—	—
Increase (decrease) in accrued payables	(2)	—
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(28 515)	(35 724)
Proceeds from sale and maturity of investments	38 185	52 188
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	7 206	18 685
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	12 824	7 589
Cash paid on redemption of redeemable units	(18 192)	(23 683)
Distributions paid to holders of redeemable units	(1 945)	(2 561)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (7 313)	\$ (18 655)
Net increase (decrease) in cash for the period	(107)	30
Cash (bank overdraft), beginning of period	68	38
CASH (BANK OVERDRAFT), END OF PERIOD	\$ (39)	\$ 68
Interest received (paid)	\$ (1)	\$ (1)
Dividends received, net of withholding taxes	\$ —	\$ —

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series 0	
	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 59 769	\$ 65 291
INCREASE (DECREASE) IN NAV	(2 951)	13 221
Early redemption fees	—	—
Proceeds from redeemable units issued	12 836	7 497
Reinvestments of distributions to holders of redeemable units	1 387	2 128
Redemption of redeemable units	(18 334)	(23 679)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(4 111)	(14 054)
Distributions from net income	(845)	(819)
Distributions from net gains	(2 487)	(3 870)
Distributions from capital	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(3 332)	(4 689)
NET INCREASE (DECREASE) IN NAV	(10 394)	(5 522)
NAV AT END OF PERIOD	\$ 49 375	\$ 59 769

The accompanying notes are an integral part of these financial statements.



**RBC PRIVATE U.S. LARGE-CAP CORE EQUITY
CURRENCY NEUTRAL POOL**

December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

The Fund invests in the RBC Private U.S. Large-Cap Core Equity Pool. The Fund's exposure to financial instrument risk is based on the underlying mutual fund asset mix. The following tables present the Fund's direct risks and pro rata exposure to the risks of the underlying fund.

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	20.7	23.3
Consumer Discretionary	17.2	13.2
Financials	13.8	15.1
Real Estate	9.6	1.5
Health Care	8.4	13.6
Consumer Staples	7.6	7.9
Industrials	6.9	10.9
Energy	5.3	6.5
Utilities	2.7	2.3
Materials	2.2	1.9
Communication Services	2.0	1.4
Cash/Other	3.6	2.4
Total	100.0	100.0

Currency risk (% of NAV)

Since the currency risk of the Fund has been hedged using foreign exchange contracts, the Fund has minimal sensitivity to changes in foreign exchange rates.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
S&P 500 Total Return Index (hedged to CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	51 469	—	—	51 469
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	376	—	376
Derivatives – liabilities	—	(2 512)	—	(2 512)
Total financial instruments	51 469	(2 136)	—	49 333
% of total portfolio	104.3	(4.3)	—	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	—	—	—	—
Underlying funds	58 435	—	—	58 435
Fixed-income				
and debt securities	—	—	—	—
Short-term investments	—	254	—	254
Derivatives – assets	—	1 144	—	1 144
Derivatives – liabilities	—	(73)	—	(73)
Total financial instruments	58 435	1 325	—	59 760
% of total portfolio	97.8	2.2	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series 0	n/a*	0.05%

* Series 0 unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

**Unconsolidated structured entities (%)
(see note 3 in the generic notes)**

The table below summarizes the Fund's interest in the sponsored funds as a percentage of NAV, and the Fund's ownership interest as a percentage of NAV of the sponsored funds ("Ownership"). All sponsored funds are established and conduct business in Canada.

	December 31 2018		December 31 2017	
	NAV	Ownership	NAV	Ownership
RBC Private U.S. Large-Cap Core Equity Pool	104.2	2.3	97.8	2.6

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series 0		
Opening units	3 864	4 802
Issued number of units	817	497
Reinvested number of units	102	138
Redeemed number of units	(1 169)	(1 573)
Ending number of units	3 614	3 864

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. "Net amount" represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	376	(2 512)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	376	(2 512)
Related amounts not set-off	(376)	376
Collateral (received) pledged	–	–
Net amount	–	(2 136)

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	1 144	(73)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	1 144	(73)
Related amounts not set-off	(73)	73
Collateral (received) pledged	–	–
Net amount	1 071	–

Please see the generic notes at the back of the financial statements.



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)

RBC PRIVATE U.S. SMALL-CAP EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
COMMON EQUITIES				
Consumer Discretionary				
87 649	Dick's Sporting Goods Inc.	\$ 3 366	\$ 3 733	
134 674	Extended Stay America Inc.	3 747	2 850	
103 336	Nautilus Inc.	2 395	1 539	
32 802	The Children's Place Inc.	5 136	4 034	
		14 644	12 156	7.3
Consumer Staples				
89 115	elf Beauty Inc.	1 722	1 054	
		1 722	1 054	0.6
Energy				
159 713	Centennial Resource Development Inc., Class A	3 871	2 403	
		3 871	2 403	1.4
Financials				
66 995	Ameris Bancorp	4 225	2 897	
137 680	Banc of California Inc.	3 646	2 502	
173 145	BrightSphere Investment Group Plc.	3 353	2 521	
43 447	First Bancorp	1 696	1 937	
188 291	Heritage Commerce Corp.	3 874	2 915	
44 906	Independent Bank Group Inc.	3 869	2 814	
50 378	QCR Holdings Inc.	2 817	2 207	
76 661	Union Bankshares Corp.	3 110	2 954	
22 764	Western Alliance Bancorp	1 208	1 227	
		27 798	21 974	13.2
Health Care				
155 764	Angiodynamics Inc.	3 426	4 281	
52 989	Array BioPharma Inc.	843	1 031	
76 251	BioTelemetry Inc.	3 884	6 217	
45 293	Cambrex Corp.	2 319	2 334	
48 631	Halozyne Therapeutics Inc.	1 187	971	
11 751	ICU Medical Inc.	2 700	3 684	
36 642	Kura Oncology Inc.	948	702	
36 112	LivaNova Plc.	3 508	4 509	
59 625	Omniceil Inc.	3 466	4 985	
9 583	Penumbra Inc.	1 717	1 597	
22 039	Reata Pharmaceuticals Inc.	815	1 689	
31 229	West Pharmaceutical Services Inc.	1 044	4 178	
		25 857	36 178	21.7
Industrials				
59 741	Apogee Enterprises Inc.	3 328	2 435	
46 969	Cubic Corp.	2 904	3 446	
43 960	EnerSys	3 418	4 658	
45 263	ESCO Technologies Inc.	2 362	4 074	
31 052	John Bean Technologies Corp.	3 841	3 044	
25 915	Regal-Beloit Corp.	2 194	2 478	
41 509	Woodward Inc.	2 095	4 210	
		20 142	24 345	14.6

Holdings	Security	Cost	Fair Value	% of Net Assets
Information Technology				
64 612	Advanced Energy Industries	\$ 3 650	\$ 3 787	
46 632	Commvault Systems Inc.	2 728	3 762	
33 993	Euronet Worldwide Inc.	2 907	4 751	
187 708	FireEye Inc.	3 932	4 154	
35 683	LogMeIn Inc.	4 661	3 974	
49 496	Lumentum Holdings Inc.	3 539	2 839	
51 796	Perficient Inc.	1 369	1 574	
81 085	PROS Holdings Inc.	2 716	3 476	
82 588	Sykes Enterprises Inc.	2 145	2 788	
175 873	TTM Technologies Inc.	3 021	2 336	
59 216	WNS Holdings Ltd. ADR	2 375	3 334	
		33 043	36 775	22.1
Materials				
58 449	Innophos Holdings Inc.	3 506	1 957	
31 267	Neenah Inc.	3 065	2 515	
88 766	Silgan Holdings Inc.	2 240	2 862	
		8 811	7 334	4.4
Real Estate				
51 021	Healthcare Trust of America Inc. Real Estate Investment Trust	1 900	1 763	
216 254	RPT Realty Real Estate Investment Trust	3 894	3 528	
		5 794	5 291	3.2
Utilities				
47 945	Spire Inc.	3 368	4 849	
		3 368	4 849	2.9
TOTAL COMMON EQUITIES		\$ 145 050	152 359	91.4
CASH			13 747	8.2
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			678	0.4
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 166 784	100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 152 359	\$ 180 007
Cash	13 747	7 090
Subscriptions receivable	626	187
Dividends receivable, interest accrued and other assets	107	137
TOTAL ASSETS	166 839	187 421
LIABILITIES		
Redemptions payable	37	28
Accounts payable and accrued expenses	18	19
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	55	47
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 166 784	\$ 187 374
Investments at cost	\$ 145 050	\$ 139 890
NAV		
SERIES F	\$ 410	\$ 541
SERIES O	\$ 166 374	\$ 186 833
NAV PER UNIT		
SERIES F	\$ 106.68	\$ 129.91
SERIES O	\$ 117.71	\$ 143.13

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 1 899	\$ 1 910
Interest for distribution purposes	173	36
Income from investment trusts	188	—
Net realized gain (loss) on investments	26 271	18 136
Change in unrealized gain (loss) on investments	(32 808)	(9 202)
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(4 277)	10 880
Securities lending revenue (see note 7 in the generic notes)	80	30
Net gain (loss) on foreign cash balances	1 662	(679)
TOTAL OTHER INCOME (LOSS)	1 742	(649)
TOTAL INCOME (LOSS)	(2 535)	10 231
EXPENSES (see notes – Fund Specific Information)		
Management fees	6	6
Administration fees	211	189
Independent Review Committee costs	2	3
GST/HST	21	19
Transaction costs	200	203
Withholding tax	283	265
TOTAL EXPENSES	723	685
INCREASE (DECREASE) IN NAV	\$ (3 258)	\$ 9 546
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (10)	\$ 11
SERIES O	\$ (3 248)	\$ 9 535
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (2.68)	\$ 2.96
SERIES O	\$ (2.40)	\$ 7.44

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (3 258)	\$ 9 546
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(26 048)	(17 904)
Change in unrealized loss (gain) on investments	32 808	9 202
(Increase) decrease in accrued receivables	30	78
Increase (decrease) in accrued payables	(1)	2
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(136 319)	(90 221)
Proceeds from sale and maturity of investments	157 207	93 125
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	24 419	3 828
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	45 435	36 621
Cash paid on redemption of redeemable units	(40 470)	(32 233)
Distributions paid to holders of redeemable units	(22 727)	(11 890)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (17 762)	\$ (7 502)
Net increase (decrease) in cash for the period	6 657	(3 674)
Cash (bank overdraft), beginning of period	7 090	10 764
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 13 747	\$ 7 090
Interest received (paid)	\$ 173	\$ 36
Dividends received, net of withholding taxes	\$ 1 646	\$ 1 723

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 541	\$ 476	\$ 186 833	\$ 185 021	\$ 187 374	\$ 185 497
INCREASE (DECREASE) IN NAV	(10)	11	(3 248)	9 535	(3 258)	9 546
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	267	1 844	45 607	37 349	45 874	39 193
Reinvestments of distributions to holders of redeemable units	37	26	6 980	3 747	7 017	3 773
Redemption of redeemable units	(362)	(1 776)	(40 117)	(33 196)	(40 479)	(34 972)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(58)	94	12 470	7 900	12 412	7 994
Distributions from net income	—	—	(1 708)	(1 534)	(1 708)	(1 534)
Distributions from net gains	(63)	(40)	(27 973)	(14 089)	(28 036)	(14 129)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(63)	(40)	(29 681)	(15 623)	(29 744)	(15 663)
NET INCREASE (DECREASE) IN NAV	(131)	65	(20 459)	1 812	(20 590)	1 877
NAV AT END OF PERIOD	\$ 410	\$ 541	\$ 166 374	\$ 186 833	\$ 166 784	\$ 187 374

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Information Technology	22.1	22.5
Health Care	21.7	17.6
Industrials	14.6	17.4
Financials	13.2	14.5
Consumer Discretionary	7.3	10.7
Materials	4.4	4.2
Real Estate	3.2	5.3
Utilities	2.9	2.8
Energy	1.4	1.1
Consumer Staples	0.6	–
Cash/Other	8.6	3.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	98.7	99.3
Total	98.7	99.3

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 4.9% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
Russell 2000 Index (CAD)	+ or - 0.9	+ or - 0.8

Please see the generic notes at the back of the financial statements.

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts) (see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	152 359	–	–	152 359
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	152 359	–	–	152 359
% of total portfolio	100.0	–	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	180 007	–	–	180 007
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	180 007	–	–	180 007
% of total portfolio	100.0	–	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.25%	0.10%
Series O	n/a*	0.10%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.



December 31, 2018

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	4	4
Issued number of units	3	13
Reinvested number of units	—	—
Redeemed number of units	(3)	(13)
Ending number of units	4	4

Series O		
Opening units	1 305	1 251
Issued number of units	325	254
Reinvested number of units	59	25
Redeemed number of units	(276)	(225)
Ending number of units	1 413	1 305

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	200	100	203	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	77	39	72	35

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as "soft dollars") for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	57 468	70 641
Fair value of collateral received	58 617	72 054

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	116	100	44	100
RBC IS (paid)	(28)	(25)	(12)	(27)
Tax withheld	(8)	(7)	(2)	(4)
Fund revenue	80	68	30	69



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE EAFE EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
Australia				
53 592	BHP Billiton Ltd. ADR	\$ 3 916	\$ 3 533	
53 592	Rio Tinto Limited	3 687	4 050	
		7 603	7 583	2.7
Austria				
78 651	Erste Bank Der Oesterreichischen Sparkassen AG	2 120	3 544	
36 559	Schoeller-Bleckmann Oilfield Equipment AG	3 280	3 275	
101 305	Voestalpine AG	4 426	4 131	
		9 826	10 950	3.9
Brazil				
268 906	Banco Bradesco S.A. ADR	2 151	3 625	
695 200	JBS S.A.	2 553	2 838	
		4 704	6 463	2.3
Chile				
50 435	Quimica Y Minera de Chile S.A. ADR	3 096	2 634	
		3 096	2 634	0.9
China				
12 804	Baidu.com Inc. ADR	3 755	2 778	
275 000	BYD Co. Ltd.	2 324	2 405	
767 000	China Life Insurance Co. Ltd.	2 404	2 214	
420 000	Conch Cement Co. Ltd.	1 572	2 773	
2 578 000	Industrial & Commercial Bank of China	1 792	2 503	
528 500	Shanghai Fosun Pharmaceutical Group Co. Ltd.	2 137	2 109	
504 000	Sinopharm Group Co.	3 081	2 897	
		17 065	17 679	6.3
Colombia				
71 582	BanColombia S.A. ADR	3 905	3 725	
		3 905	3 725	1.3
Czech Republic				
32 952	Komerční Banka A.S.	1 471	1 699	
		1 471	1 699	0.6
France				
28 621	Capgemini S.A.	4 600	3 886	
51 463	Safran S.A.	4 927	8 426	
49 247	Société Générale	2 642	2 132	
40 006	Sodexo	4 895	5 601	
		17 064	20 045	7.1
Germany				
27 824	BASF AG	2 346	2 650	
16 526	Continental AG	4 899	3 132	
34 733	Merck KGaA	4 501	4 870	
79 071	Vonovia SE	4 449	4 894	
		16 195	15 546	5.5

Holdings	Security	Cost	Fair Value	% of Net Assets
India				
382 870	ICICI Bank Ltd. ADR	\$ 2 812	\$ 5 379	
		2 812	5 379	1.9
Indonesia				
3 209 100	PT Indofood Sukses Makmur Tbk	2 074	2 269	
		2 074	2 269	0.8
Israel				
34 647	Check Point Software Technologies Ltd.	5 051	4 855	
55 331	Nice Ltd. ADR	5 324	8 174	
		10 375	13 029	4.7
Italy				
75 879	Luxottica Group S.p.A. ADR	2 801	6 120	
140 210	Prysmian S.p.A.	4 352	3 724	
		7 153	9 844	3.5
Japan				
95 500	Denso Corp.	3 728	5 771	
95 500	Hitachi Ltd.	2 878	3 456	
69 525	Honda Motor Co. Ltd. ADR	2 323	2 511	
52 100	Secom Co. Ltd.	2 941	5 900	
44 900	SoftBank Group Corp.	4 705	4 015	
499 700	Toray Industries Inc.	5 474	4 823	
		22 049	26 476	9.4
Mexico				
469 300	Grupo Financiero Banorte S.A.B. de C.V.	3 162	3 123	
		3 162	3 123	1.1
Netherlands				
46 712	Heineken N.V.	5 363	5 637	
		5 363	5 637	2.0
Norway				
309 969	DnB ASA	4 063	6 793	
149 089	Equinor ASA ADR	3 725	4 309	
501 166	Norsk Hydro ASA	2 608	3 100	
		10 396	14 202	5.1
Singapore				
217 200	DBS Group Holdings Ltd.	3 296	5 156	
		3 296	5 156	1.9
South Korea				
74 925	Samsung Electronics Co. Ltd.	1 948	3 561	
		1 948	3 561	1.3
Spain				
85 516	Amadeus IT Group S.A.	2 522	8 123	
		2 522	8 123	2.9
Switzerland				
177 073	Credit Suisse Group	3 846	2 643	
57 880	Novartis AG	4 298	6 767	
19 452	Roche Holdings AG Genussscheine	4 099	6 593	
		12 243	16 003	5.7

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
Taiwan				
484 103	ASE Technology Holding Co. Ltd. ADR	\$ 1 729	\$ 2 478	
622 000	Taiwan Semiconductor Manufacturing Co. Ltd.	3 920	6 166	
		<u>5 649</u>	<u>8 644</u>	<u>3.1</u>
United Kingdom				
1 432 248	Barclays Plc.	3 385	3 741	
157 881	Diageo Plc.	4 026	7 702	
441 142	HSBC Holdings Plc. (U.K. Reg.)	3 946	4 968	
1 387 360	ITV Plc.	6 079	3 015	
211 069	RELX Plc.	5 523	5 929	
76 768	Royal Dutch Shell Plc., A Shares	2 784	3 089	
89 804	Unilever Plc.	3 228	6 437	
		<u>28 971</u>	<u>34 881</u>	<u>12.4</u>
United States				
99 494	Carnival Corp.	4 460	6 698	
50 768	Core Laboratories N.V.	6 056	4 135	
18 554	Everest Re Group Ltd.	2 273	5 515	
67 266	ICON Plc.	2 553	11 866	
		<u>15 342</u>	<u>28 214</u>	<u>10.1</u>
TOTAL INTERNATIONAL EQUITIES		<u>\$ 214 284</u>	<u>270 865</u>	<u>96.5</u>
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			<u>9 850</u>	<u>3.5</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 280 715</u>		<u>100.0</u>

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 270 865	\$ 271 162
Cash	12 389	6 539
Due from investment dealers	1 103	18
Subscriptions receivable	306	199
Dividends receivable, interest accrued and other assets	125	162
TOTAL ASSETS	284 788	278 080
LIABILITIES		
Due to investment dealers	3 865	70
Redemptions payable	185	175
Accounts payable and accrued expenses	23	22
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	4 073	267
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 280 715	\$ 277 813
Investments at cost	\$ 214 284	\$ 190 075
NAV		
SERIES F	\$ 2 378	\$ 2 428
SERIES O	\$ 278 337	\$ 275 385
NAV PER UNIT		
SERIES F	\$ 12.88	\$ 14.13
SERIES O	\$ 12.93	\$ 14.17

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 7 255	\$ 7 382
Interest for distribution purposes	66	15
Derivative income	20	80
Net realized gain (loss) on investments	200	19 968
Change in unrealized gain (loss) on investments	(24 506)	23 591
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(16 965)	51 036
Other income (loss)	4	—
Securities lending revenue (see note 7 in the generic notes)	192	136
Net gain (loss) on foreign cash balances	71	(543)
TOTAL OTHER INCOME (LOSS)	267	(407)
TOTAL INCOME (LOSS)	(16 698)	50 629
EXPENSES (see notes – Fund Specific Information)		
Management fees	25	51
Administration fees	223	215
Independent Review Committee costs	2	3
GST/HST	23	23
Transaction costs	154	223
Withholding tax	864	687
TOTAL EXPENSES	1 291	1 202
INCREASE (DECREASE) IN NAV	\$ (17 989)	\$ 49 427
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (190)	\$ 1 008
SERIES O	\$ (17 799)	\$ 48 419
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (1.06)	\$ 2.55
SERIES O	\$ (0.92)	\$ 2.49

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (17 989)	\$ 49 427
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(75)	(19 729)
Change in unrealized loss (gain) on investments	24 506	(23 591)
(Increase) decrease in accrued receivables	37	124
Increase (decrease) in accrued payables	1	(5)
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(47 369)	(46 544)
Proceeds from sale and maturity of investments	25 945	73 003
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(14 944)	32 685
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	66 581	29 802
Cash paid on redemption of redeemable units	(40 430)	(57 278)
Distributions paid to holders of redeemable units	(5 357)	(5 740)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ 20 794	\$ (33 216)
Net increase (decrease) in cash for the period	5 850	(531)
Cash (bank overdraft), beginning of period	6 539	7 070
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 12 389	\$ 6 539
Interest received (paid)	\$ 66	\$ 15
Dividends received, net of withholding taxes	\$ 6 432	\$ 6 819

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 2 428	\$ 6 898	\$ 275 385	\$ 254 669	\$ 277 813	\$ 261 567
INCREASE (DECREASE) IN NAV	(190)	1 008	(17 799)	48 419	(17 989)	49 427
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	1 026	2 598	65 662	29 489	66 688	32 087
Reinvestments of distributions to holders of redeemable units	10	15	1 008	1 065	1 018	1 080
Redemption of redeemable units	(866)	(8 003)	(39 574)	(51 525)	(40 440)	(59 528)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	170	(5 390)	27 096	(20 971)	27 266	(26 361)
Distributions from net income	(30)	(88)	(6 345)	(6 732)	(6 375)	(6 820)
Distributions from net gains	—	—	—	—	—	—
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(30)	(88)	(6 345)	(6 732)	(6 375)	(6 820)
NET INCREASE (DECREASE) IN NAV	(50)	(4 470)	2 952	20 716	2 902	16 246
NAV AT END OF PERIOD	\$ 2 378	\$ 2 428	\$ 278 337	\$ 275 385	\$ 280 715	\$ 277 813

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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”).

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United Kingdom	12.4	12.3
United States	10.1	6.8
Japan	9.4	8.6
France	7.1	7.3
China	6.3	5.4
Switzerland	5.7	5.4
Germany	5.5	4.8
Norway	5.1	5.3
Austria	3.9	5.5
Italy	3.5	4.0
Taiwan	3.1	3.0
Spain	2.9	2.6
Australia	2.7	2.3
Brazil	2.3	1.9
Netherlands	2.0	4.1
South Korea	1.3	2.6
Ireland	–	3.2
Sweden	–	1.4
Other Countries	13.2	11.1
Cash/Other	3.5	2.4
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	32.2	26.2
Euro	25.4	27.3
Pound sterling	9.0	11.3
Japanese yen	8.3	7.6
Swiss franc	5.6	5.4
Hong Kong dollar	5.5	5.4
Norwegian krone	3.4	4.0
New Taiwan dollar	2.0	1.9

Please see the generic notes at the back of the financial statements.

	December 31 2018	December 31 2017
Currency		
Singapore dollar	1.8	1.7
Australian dollar	1.4	1.3
Brazilian real	1.2	–
South Korean won	1.2	2.6
Mexican peso	1.1	1.3
Indonesian rupiah	0.8	0.8
Czech koruna	0.6	0.6
Swedish krona	–	1.4
Turkish new lira	–	0.5
Other currencies	–	0.3
Total	99.5	99.6

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 5.0%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund’s NAV, using a 36-month historical correlation of data of the Fund’s return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 1.0	+ or - 0.9

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	84 296	186 569	–	270 865
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	84 296	186 569	–	270 865
% of total portfolio	31.1	68.9	–	100.0



December 31, 2018

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	71 869	199 293	—	271 162
Underlying funds	—	—	—	—
Fixed-income and debt securities	—	—	—	—
Short-term investments	—	—	—	—
Derivatives – assets	—	—	—	—
Derivatives – liabilities	—	—	—	—
Total financial instruments	71 869	199 293	—	271 162
% of total portfolio	26.5	73.5	—	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.

Management fees and administration fees (see note 8 in the generic notes)

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.00%	0.15%
Series O	n/a*	0.08%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The non-capital and capital losses as at December 31, 2018 for the Fund were approximately:

Capital losses	118 494
Non-capital losses	—

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	172	574
Issued number of units	74	194
Reinvested number of units	1	1
Redeemed number of units	(62)	(597)
Ending number of units	185	172
Series O		
Opening units	19 429	21 140
Issued number of units	4 883	2 184
Reinvested number of units	72	79
Redeemed number of units	(2 851)	(3 974)
Ending number of units	21 533	19 429

Please see the generic notes at the back of the financial statements.

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	154	100	223	100
Related-party brokerage commissions*	8	5	—	—
Commission arrangements†	31	20	45	20

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

Securities lending revenue (\$000s except %) (see note 7 in the generic notes)

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	39 899	41 895
Fair value of collateral received	40 697	42 733

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	264	100	193	100
RBC IS (paid)	(65)	(25)	(54)	(28)
Tax withheld	(7)	(3)	(3)	(1)
Fund revenue	192	72	136	71



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE OVERSEAS EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
INTERNATIONAL EQUITIES				
China				
436 000	China Mobile (Hong Kong) Ltd.	\$ 5 213	\$ 5 760	
5 552 000	Lenovo Group Limited	7 603	5 120	
758 500	Shanghai Fosun Pharmaceutical Group Co. Ltd.	3 495	3 027	
		16 311	13 907	7.4
Finland				
727 399	Nokia OYJ	6 954	5 757	
		6 954	5 757	3.1
France				
51 747	Sanofi	5 292	6 128	
70 940	Total S.A.	4 716	5 108	
		10 008	11 236	6.0
Germany				
37 944	Bayer AG	6 933	3 609	
472 835	Commerzbank AG	7 383	4 281	
313 173	E.ON SE	5 210	4 223	
		19 526	12 113	6.5
Hong Kong				
320 400	CK Hutchison Holdings Ltd.	5 367	4 198	
515 000	Galaxy Entertainment Group Ltd.	2 820	4 441	
338 642	Swire Pacific Ltd. 'A'	4 140	4 881	
		12 327	13 520	7.2
Italy				
243 087	ENI S.p.A.	5 474	5 243	
		5 474	5 243	2.8
Japan				
138 600	Alps Electric Co. Ltd.	4 800	3 669	
40 600	East Japan Railway Company	3 356	4 895	
94 200	Japan Tobacco Inc.	2 710	3 056	
91 200	Mitsubishi Corp.	2 184	3 414	
721 400	Nomura Holdings Inc.	5 401	3 732	
59 900	Omron Corp.	2 178	2 965	
379 800	Panasonic Corp.	4 222	4 658	
196 200	Sumitomo Electric Industries Ltd.	3 313	3 547	
102 400	Sumitomo Mitsui Financial Group Inc.	4 061	4 608	
95 000	Sumitomo Mitsui Trust Holdings Inc.	4 757	4 723	
		36 982	39 267	21.0
Netherlands				
332 754	ING Groep N.V.	7 168	4 886	
111 563	Koninklijke Ahold Delhaize N.V.	3 232	3 848	
		10 400	8 734	4.7
Norway				
183 719	DnB ASA	4 262	4 026	
		4 262	4 026	2.2

Holdings	Security	Cost	Fair Value	% of Net Assets
Singapore				
185 300	DBS Group Holdings Ltd.	\$ 2 174	\$ 4 399	
1 586 000	Singapore Telecommunications Ltd.	5 324	4 660	
		7 498	9 059	4.8
Spain				
425 439	BBVA S.A.	3 649	3 085	
435 884	Telefonica S.A.	5 687	5 009	
		9 336	8 094	4.3
Switzerland				
61 104	Adecco S.A.	4 328	3 921	
48 211	Novartis AG	4 502	5 637	
22 287	Roche Holdings AG Genussscheine	7 191	7 554	
		16 021	17 112	9.2
Thailand				
448 900	Bangkok Bank PCL	2 906	3 825	
		2 906	3 825	2.0
United Kingdom				
73 673	AstraZeneca Plc.	4 998	7 508	
598 239	BP Plc.	5 251	5 163	
391 726	HSBC Holdings Plc. (U.K. Reg.)	3 919	4 412	
133 099	Royal Dutch Shell Plc., A Shares	5 424	5 354	
1 724 024	Tesco Plc.	6 185	5 708	
1 902 583	Vodafone Group Plc.	5 573	5 050	
		31 350	33 195	17.8
TOTAL INTERNATIONAL EQUITIES		\$ 189 355	185 088	99.0
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			1 767	1.0
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 186 855		100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 185 088	\$ 213 872
Cash	2 188	8 953
Due from investment dealers	—	267
Subscriptions receivable	59	129
Dividends receivable, interest accrued and other assets	362	130
TOTAL ASSETS	187 697	223 351
LIABILITIES		
Redemptions payable	814	12
Accounts payable and accrued expenses	28	32
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	842	44
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 186 855	\$ 223 307
Investments at cost	\$ 189 355	\$ 188 521
NAV		
SERIES F	\$ 377	\$ 452
SERIES O	\$ 186 478	\$ 222 855
NAV PER UNIT		
SERIES F	\$ 9.08	\$ 10.44
SERIES O	\$ 9.20	\$ 10.57

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 7 850	\$ 6 104
Interest for distribution purposes	67	11
Net realized gain (loss) on investments	10 119	6 860
Change in unrealized gain (loss) on investments	(29 618)	24 184
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	(11 582)	37 159
Other income (loss)	45	—
Securities lending revenue (see note 7 in the generic notes)	110	133
Net gain (loss) on foreign cash balances	59	(254)
TOTAL OTHER INCOME (LOSS)	214	(121)
TOTAL INCOME (LOSS)	(11 368)	37 038
EXPENSES (see notes – Fund Specific Information)		
Management fees	5	5
Administration fees	335	319
Independent Review Committee costs	2	3
GST/HST	30	28
Transaction costs	129	63
Withholding tax	964	680
TOTAL EXPENSES	1 465	1 098
INCREASE (DECREASE) IN NAV	\$ (12 833)	\$ 35 940
INCREASE (DECREASE) IN NAV		
SERIES F	\$ (30)	\$ 90
SERIES O	\$ (12 803)	\$ 35 850
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ (0.67)	\$ 1.75
SERIES O	\$ (0.60)	\$ 1.74

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ (12 833)	\$ 35 940
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(9 996)	(6 811)
Change in unrealized loss (gain) on investments	29 618	(24 184)
(Increase) decrease in accrued receivables	(232)	32
Increase (decrease) in accrued payables	(4)	3
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(47 010)	(22 383)
Proceeds from sale and maturity of investments	56 439	21 114
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	15 982	3 711
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	39 664	37 594
Cash paid on redemption of redeemable units	(47 505)	(30 989)
Distributions paid to holders of redeemable units	(14 906)	(9 419)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (22 747)	\$ (2 814)
Net increase (decrease) in cash for the period	(6 765)	897
Cash (bank overdraft), beginning of period	8 953	8 056
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 2 188	\$ 8 953
Interest received (paid)	\$ 67	\$ 11
Dividends received, net of withholding taxes	\$ 6 699	\$ 5 456

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 452	\$ 495	\$ 222 855	\$ 189 423	\$ 223 307	\$ 189 918
INCREASE (DECREASE) IN NAV	(30)	90	(12 803)	35 850	(12 833)	35 940
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	206	1 439	39 388	38 246	39 594	39 685
Reinvestments of distributions to holders of redeemable units	14	10	902	622	916	632
Redemption of redeemable units	(238)	(1 565)	(48 069)	(31 258)	(48 307)	(32 823)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	(18)	(116)	(7 779)	7 610	(7 797)	7 494
Distributions from net income	(8)	(7)	(6 401)	(5 296)	(6 409)	(5 303)
Distributions from net gains	(19)	(10)	(9 394)	(4 732)	(9 413)	(4 742)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(27)	(17)	(15 795)	(10 028)	(15 822)	(10 045)
NET INCREASE (DECREASE) IN NAV	(75)	(43)	(36 377)	33 432	(36 452)	33 389
NAV AT END OF PERIOD	\$ 377	\$ 452	\$ 186 478	\$ 222 855	\$ 186 855	\$ 223 307

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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.

Financial instrument risk and capital management (see note 5 in the generic notes)

Concentration risk (%)

The table below summarizes the Fund's investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
Japan	21.0	27.2
United Kingdom	17.8	17.0
Switzerland	9.2	8.3
China	7.4	7.1
Hong Kong	7.2	7.0
Germany	6.5	8.0
France	6.0	8.1
Singapore	4.8	2.9
Netherlands	4.7	0.1
Spain	4.3	3.8
Finland	3.1	2.1
Italy	2.8	–
Norway	2.2	2.0
Thailand	2.0	2.2
Cash/Other	1.0	4.2
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund's net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
Euro	29.7	24.3
Japanese yen	21.1	27.2
Pound sterling	15.5	15.0
Hong Kong dollar	14.7	11.7
Swiss franc	9.2	8.3
Singapore dollar	4.9	2.9
Norwegian krone	2.2	2.0
Thailand baht	2.1	2.2
United States dollar	0.6	2.8
Total	100.0	96.4

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund's NAV may have decreased or increased, respectively, by approximately 5.0% (December 31, 2017 – 4.8%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund's NAV, using a 36-month historical correlation of data of the Fund's return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI EAFE Total Return Net Index (CAD)	+ or - 0.9	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

Fair value hierarchy (\$000s except % amounts)

(see note 3 in the generic notes)

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	–	185 088	–	185 088
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	–	185 088	–	185 088
% of total portfolio	–	100.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	5 298	208 574	–	213 872
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	5 298	208 574	–	213 872
% of total portfolio	2.5	97.5	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.00%	0.15%
Series O	n/a*	0.15%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

**Investments by related parties
(\$000s except unit amounts)**

Royal Bank of Canada, or one of its subsidiaries, held the following investments in the Fund as at:

	December 31 2018	December 31 2017
Units held		
Series F	737	688
Value of all units	7	7

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	43	54
Issued number of units	21	137
Reinvested number of units	1	1
Redeemed number of units	(23)	(149)
Ending number of units	42	43
Series O		
Opening units	21 080	20 335
Issued number of units	3 811	3 774
Reinvested number of units	95	60
Redeemed number of units	(4 727)	(3 089)
Ending number of units	20 259	21 080

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	129	100	63	100
Related-party brokerage commissions*	—	—	—	—
Commission arrangements†	12	9	6	10

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Fair value of securities loaned	4 993		15 944	
Fair value of collateral received	5 093		16 263	

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	148	100	184	100
RBC IS (paid)	(37)	(25)	(51)	(28)
Tax withheld	(1)	(1)	—	—
Fund revenue	110	74	133	72



SCHEDULE OF INVESTMENT PORTFOLIO (in \$000s)
RBC PRIVATE WORLD EQUITY POOL

December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
GLOBAL EQUITIES				
Belgium				
20 137	KBC Groep N.V.	\$ 2 353	\$ 1 769	
		2 353	1 769	0.6
Canada				
107 100	Enbridge Inc.	5 249	4 542	
36 440	Nutrien Ltd.	2 376	2 337	
		7 625	6 879	2.4
Denmark				
26 973	Carlsberg A/S	3 414	3 917	
61 979	Novo Nordisk A/S	2 281	3 879	
		5 695	7 796	2.7
Finland				
25 955	Sampo OYJ	1 192	1 563	
		1 192	1 563	0.5
France				
36 336	Airbus SE	3 354	4 729	
23 389	EssilorLuxottica	3 700	4 047	
24 403	Groupe Danone	1 840	2 348	
11 482	L'Oréal S.A.	1 803	3 587	
4 296	LVMH Louis Vuitton Moët-Hennessy	1 487	1 717	
22 931	Pernod-Ricard S.A.	2 881	5 138	
40 997	Safran S.A.	3 722	6 713	
		18 787	28 279	9.8
Germany				
20 973	SAP SE	3 077	2 852	
		3 077	2 852	1.0
Hong Kong				
884 800	AIA Group Ltd.	4 855	10 034	
175 700	Vtech Holdings Ltd.	2 815	1 990	
		7 670	12 024	4.1
India				
16 600	HDFC Bank Ltd. ADR	1 950	2 347	
		1 950	2 347	0.8
Japan				
233 000	Asahi Kasei Corp.	2 787	3 265	
7 030	Keyence Corp.	1 057	4 851	
12 400	Murata Manufacturing Co. Ltd.	920	2 281	
22 400	Shin-Etsu Chemical Co. Ltd.	3 076	2 350	
7 500	SMC Corp.	1 234	3 083	
20 500	SoftBank Group Corp.	1 233	1 833	
		10 307	17 663	6.1
Netherlands				
30 259	ASML Holding N.V.	3 541	6 472	
		3 541	6 472	2.2
Norway				
142 772	DnB ASA	3 605	3 129	
		3 605	3 129	1.1

Holdings	Security	Cost	Fair Value	% of Net Assets
South Africa				
57 400	Naspers Ltd. ADR	\$ 2 277	\$ 3 107	
		2 277	3 107	1.1
Sweden				
251 988	Ericsson (LM) Tel., Series B	2 125	3 038	
		2 125	3 038	1.0
Switzerland				
43 337	Nestlé S.A.	2 519	4 802	
		2 519	4 802	1.7
Taiwan				
135 200	Taiwan Semiconductor Manufacturing Co. Ltd. ADR	4 711	6 810	
		4 711	6 810	2.4
United Kingdom				
52 300	AstraZeneca Plc.	4 347	5 330	
38 800	Reckitt Benckiser Plc.	4 485	4 056	
65 700	Royal Dutch Shell Plc. ADR	4 761	5 374	
		13 593	14 760	5.1
United States				
22 500	Abbott Laboratories	2 129	2 222	
10 100	Accenture Plc., Class A	2 185	1 944	
25 000	Activision Blizzard Inc.	2 298	1 591	
158 300	AES Corp.	2 361	3 125	
1 975	Alphabet Inc., Class A	1 368	2 820	
1 975	Amazon.com, Inc.	2 066	4 050	
25 800	American Tower Corp. Real Estate Investment Trust	2 273	5 573	
13 500	Aon Plc.	2 720	2 679	
21 150	Apple Inc.	1 537	4 560	
32 600	Bank of New York Mellon Corp.	2 246	2 096	
8 200	Boeing Co.	964	3 610	
23 000	Broadcom Inc.	7 544	7 984	
22 800	Chevron Corp.	2 938	3 387	
34 900	CME Group Inc., Class A	2 820	8 963	
58 300	Comcast Corp., Class A	1 025	2 710	
6 400	Costco Wholesale Corp.	1 836	1 780	
25 500	Crown Castle International Corp. Real Estate Investment Trust	2 900	3 782	
40 300	CSX Corp.	2 826	3 418	
22 500	Danaher Corp.	1 023	3 168	
24 700	Deere & Co.	4 751	5 030	
12 900	EOG Resources Inc.	1 616	1 536	
13 900	Equifax Inc.	2 271	1 767	
8 200	Facebook Inc., Class A	2 307	1 470	
61 000	Gilead Sciences Inc.	5 924	5 213	
69 700	GoDaddy Inc.	4 691	6 240	
45 900	Hilton Worldwide Holdings Inc.	4 247	4 500	
35 500	Intel Corp.	2 613	2 276	
35 800	Intercontinental Exchange, Inc.	3 366	3 682	
20 400	Jack Henry & Associates Inc.	2 768	3 525	
52 800	JPMorgan Chase & Co.	4 710	7 045	
85 400	Las Vegas Sands Corp.	5 294	6 068	

The accompanying notes are an integral part of the financial statements.



December 31, 2018

Holdings	Security	Cost	Fair Value	% of Net Assets
United States (cont.)				
31 200	Marsh & McLennan Companies Inc.	\$ 1 607	\$ 3 396	
20 500	Microsoft Corp.	794	2 845	
67 300	Mondelez International Inc.	3 802	3 678	
16 200	Moody's Corp.	2 321	3 097	
4 900	Northrop Grumman Corp.	1 905	1 638	
18 600	Philip Morris International Inc.	2 313	1 695	
20 600	QUALCOMM Inc.	1 645	1 600	
59 000	Schlumberger Ltd.	4 818	2 912	
25 800	Seattle Genetics Inc.	1 783	1 996	
13 700	Sempra Energy	1 756	2 024	
26 600	State Street Corp.	3 488	2 290	
9 100	UnitedHealth Group Incorporated	2 825	3 096	
36 900	Visa Inc., Class A	1 233	6 649	
20 500	Wabtec Corp.	2 840	1 965	
30 900	Wells Fargo & Company	1 722	1 945	
		124 469	158 640	54.7
TOTAL GLOBAL EQUITIES		\$ 215 496	281 930	97.3
OTHER NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				2.7
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS				100.0

The accompanying notes are an integral part of the financial statements.



Statements of Financial Position

(in \$000s except per unit amounts)

(see note 2 in the generic notes)	December 31 2018	December 31 2017
ASSETS		
Investments at fair value	\$ 281 930	\$ 307 468
Cash	7 580	13 455
Due from investment dealers	—	694
Subscriptions receivable	174	1 260
Dividends receivable, interest accrued and other assets	274	437
TOTAL ASSETS	289 958	323 314
LIABILITIES		
Redemptions payable	101	9
Unrealized loss on foreign exchange contracts	—	1
Accounts payable and accrued expenses	50	53
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	151	63
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS ("NAV")	\$ 289 807	\$ 323 251
Investments at cost	\$ 215 496	\$ 216 993
NAV		
SERIES F	\$ 7 963	\$ 7 814
SERIES O	\$ 281 844	\$ 315 437
NAV PER UNIT		
SERIES F	\$ 224.97	\$ 235.91
SERIES O	\$ 225.34	\$ 236.42

Statements of Comprehensive Income

(in \$000s except per unit amounts)

For the periods ended December 31 (see note 2 in the generic notes)	2018	2017
INCOME (see note 3 in the generic notes)		
Dividends	\$ 7 385	\$ 7 262
Interest for distribution purposes	72	9
Income from investment trusts	142	—
Derivative income	(3)	—
Net realized gain (loss) on investments	22 834	20 662
Change in unrealized gain (loss) on investments	(24 040)	29 312
TOTAL NET GAIN (LOSS) ON INVESTMENTS AND DERIVATIVES	6 390	57 245
Other income (loss)	45	—
Securities lending revenue (see note 7 in the generic notes)	89	94
Net gain (loss) on foreign cash balances	41	(61)
TOTAL OTHER INCOME (LOSS)	175	33
TOTAL INCOME (LOSS)	6 565	57 278
EXPENSES (see notes – Fund Specific Information)		
Management fees	80	70
Administration fees	508	455
Independent Review Committee costs	2	3
GST/HST	68	61
Transaction costs	105	151
Withholding tax	921	837
TOTAL EXPENSES	1 684	1 577
INCREASE (DECREASE) IN NAV	\$ 4 881	\$ 55 701
INCREASE (DECREASE) IN NAV		
SERIES F	\$ 45	\$ 1 193
SERIES O	\$ 4 836	\$ 54 508
INCREASE (DECREASE) IN NAV PER UNIT		
SERIES F	\$ 1.39	\$ 38.55
SERIES O	\$ 3.59	\$ 41.81

The accompanying notes are an integral part of these financial statements.



Statements of Cash Flow *(in \$000s)*

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in NAV	\$ 4 881	\$ 55 701
ADJUSTMENTS TO RECONCILE NET CASH PROVIDED BY (USED IN) OPERATIONS		
Interest for distribution purposes	—	—
Non-cash distributions from underlying funds	—	—
Net realized loss (gain) on investments	(22 670)	(20 500)
Change in unrealized loss (gain) on investments	24 040	(29 312)
(Increase) decrease in accrued receivables	163	22
Increase (decrease) in accrued payables	(3)	9
(Increase) decrease in margin accounts	—	—
Cost of investments purchased	(102 106)	(91 591)
Proceeds from sale and maturity of investments	126 967	92 747
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	31 272	7 076
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	48 288	42 061
Cash paid on redemption of redeemable units	(69 440)	(33 963)
Distributions paid to holders of redeemable units	(15 995)	(12 586)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	\$ (37 147)	\$ (4 488)
Net increase (decrease) in cash for the period	(5 875)	2 588
Cash (bank overdraft), beginning of period	13 455	10 867
CASH (BANK OVERDRAFT), END OF PERIOD	\$ 7 580	\$ 13 455
Interest received (paid)	\$ 72	\$ 9
Dividends received, net of withholding taxes	\$ 6 672	\$ 6 447

The accompanying notes are an integral part of these financial statements.



Statements of Changes in NAV *(in \$000s)*

For the periods ended December 31 (see note 2 in the generic notes)	Series F		Series O		Total	
	2018	2017	2018	2017	2018	2017
NAV AT BEGINNING OF PERIOD	\$ 7 814	\$ 5 622	\$ 315 437	\$ 265 049	\$ 323 251	\$ 270 671
INCREASE (DECREASE) IN NAV	45	1 193	4 836	54 508	4 881	55 701
Early redemption fees	—	—	—	—	—	—
Proceeds from redeemable units issued	2 066	2 097	45 136	42 882	47 202	44 979
Reinvestments of distributions to holders of redeemable units	86	43	2 872	2 280	2 958	2 323
Redemption of redeemable units	(1 651)	(851)	(67 881)	(34 663)	(69 532)	(35 514)
NET INCREASE (DECREASE) FROM REDEEMABLE UNIT TRANSACTIONS	501	1 289	(19 873)	10 499	(19 372)	11 788
Distributions from net income	(59)	(66)	(6 097)	(5 893)	(6 156)	(5 959)
Distributions from net gains	(338)	(224)	(12 459)	(8 726)	(12 797)	(8 950)
Distributions from capital	—	—	—	—	—	—
TOTAL DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS	(397)	(290)	(18 556)	(14 619)	(18 953)	(14 909)
NET INCREASE (DECREASE) IN NAV	149	2 192	(33 593)	50 388	(33 444)	52 580
NAV AT END OF PERIOD	\$ 7 963	\$ 7 814	\$ 281 844	\$ 315 437	\$ 289 807	\$ 323 251

The accompanying notes are an integral part of these financial statements.



December 31, 2018

General information (see note 1 in the generic notes)

The investment objective of the Fund is 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”).

**Financial instrument risk and capital management
(see note 5 in the generic notes)**

Concentration risk (%)

The table below summarizes the Fund’s investment exposure (after consideration of derivative products, if any) as at:

	December 31 2018	December 31 2017
Investment mix		
United States	54.7	46.0
France	9.8	10.0
Japan	6.1	8.4
United Kingdom	5.1	6.7
Hong Kong	4.1	4.0
Denmark	2.7	4.2
Taiwan	2.4	2.3
Netherlands	2.2	2.7
Switzerland	1.7	3.4
Finland	0.5	0.7
Other Countries	8.0	6.7
Cash/Other	2.7	4.9
Total	100.0	100.0

Currency risk (% of NAV)

The table below summarizes the Fund’s net exposure (after hedging, if any) to currency risk as at:

	December 31 2018	December 31 2017
Currency		
United States dollar	60.9	52.5
Euro	14.1	13.5
Japanese yen	6.1	8.4
Hong Kong dollar	4.2	4.0
Pound sterling	3.2	4.9
Danish krone	2.7	4.2
Swiss franc	1.7	3.4
Norwegian krone	1.1	–
Swedish krona	1.0	1.3
Singapore dollar	–	0.6
Total	95.0	92.8

As at December 31, 2018, if the Canadian dollar had strengthened or weakened by 5% in relation to the above currencies, with all other factors kept constant, the Fund’s NAV may have decreased or increased, respectively, by approximately 4.8% (December 31, 2017 – 4.6%). In practice, actual results could differ from this sensitivity analysis and the difference could be material.

Other price risk (% impact on NAV)

The table below shows the impact of a 1% change in the broad-based index (noted below) on the Fund’s NAV, using a 36-month historical correlation of data of the Fund’s return and the index, with all other factors kept constant, as at:

	December 31 2018	December 31 2017
MSCI World Total Return Net Index (CAD)	+ or - 1.0	+ or - 1.0

Since historical correlation may not be representative of future correlation, actual results could differ from this sensitivity analysis and the difference could be material.

**Fair value hierarchy (\$000s except % amounts)
(see note 3 in the generic notes)**

The following is a summary of the inputs used as of December 31, 2018 and 2017.

December 31, 2018	Level 1	Level 2	Level 3	Total
Equities	183 157	98 773	–	281 930
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	–	–	–
Total financial instruments	183 157	98 773	–	281 930
% of total portfolio	65.0	35.0	–	100.0

December 31, 2017	Level 1	Level 2	Level 3	Total
Equities	178 729	128 739	–	307 468
Underlying funds	–	–	–	–
Fixed-income				
and debt securities	–	–	–	–
Short-term investments	–	–	–	–
Derivatives – assets	–	–	–	–
Derivatives – liabilities	–	(1)	–	(1)
Total financial instruments	178 729	128 738	–	307 467
% of total portfolio	58.1	41.9	–	100.0

For the periods ended December 31, 2018 and 2017, there were no transfers of financial instruments between Level 1, Level 2 and Level 3.



December 31, 2018

**Management fees and administration fees
(see note 8 in the generic notes)**

Management fees and administration fees of each series of the Fund are payable to RBC GAM and calculated at the following annual percentages, before GST/HST, of the daily NAV of each series of the Fund.

	Management fees	Administration fees
Series F	1.00%	0.15%
Series O	n/a*	0.15%

* Series O unitholders pay a negotiated management fee directly to RBC GAM for investment-counselling services.

Taxes (\$000s) (see note 6 in the generic notes)

The Fund had no capital or non-capital losses as at December 31, 2018.

Redeemable units (000s)

There is no limitation on the number of units available for issue. Units are purchased and redeemed at the NAV per unit.

For the periods ended December 31
(see note 2 in the generic notes)

	2018	2017
Series F		
Opening units	33	27
Issued number of units	9	10
Reinvested number of units	–	–
Redeemed number of units	(7)	(4)
Ending number of units	35	33
Series O		
Opening units	1 334	1 287
Issued number of units	183	190
Reinvested number of units	13	10
Redeemed number of units	(279)	(153)
Ending number of units	1 251	1 334

Transaction costs (\$000s except %)

Transaction costs, including brokerage commissions, in consideration of portfolio transactions for the periods ended:

	December 31 2018		December 31 2017	
	\$	%	\$	%
Total transaction costs	105	100	151	100
Related-party brokerage commissions*	1	1	–	–
Commission arrangements†	–	–	–	–

* See note 8 in the generic notes.

† Commission arrangements are part of commission amounts paid to dealers. The Fund uses commission arrangements (formerly known as “soft dollars”) for research and/or order execution goods and services.

**Securities lending revenue (\$000s except %)
(see note 7 in the generic notes)**

Fair value of securities on loan and collateral received as at:

	December 31 2018	December 31 2017
Fair value of securities loaned	37 078	28 416
Fair value of collateral received	37 820	28 984

The table below provides a reconciliation of the gross revenue generated from the securities lending transactions of the Fund to the securities lending revenue disclosed in the Statements of Comprehensive Income.

	December 31 2018		December 31 2017	
	\$	%	\$	%
Gross revenue	120	100	137	100
RBC IS (paid)	(30)	(25)	(37)	(27)
Tax withheld	(1)	(1)	(6)	(4)
Fund revenue	89	74	94	69

**Offsetting financial assets and liabilities (\$000s)
(see note 3 in the generic notes)**

The following is a summary of the amounts for which the Fund has a legal right to offset in the event of default, insolvency or bankruptcy. “Net amount” represents the impact to the Fund if all set-off rights were to be exercised.

December 31, 2018	Assets	Liabilities
Gross amounts – assets (liabilities)	–	–
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	–
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	–

December 31, 2017	Assets	Liabilities
Gross amounts – assets (liabilities)	–	(1)
Amounts set-off in the Statements of Financial Position	–	–
Net amounts presented in the Statements of Financial Position	–	(1)
Related amounts not set-off	–	–
Collateral (received) pledged	–	–
Net amount	–	(1)

1. The Funds

The Funds (“Fund” or “Funds”) are open-ended mutual fund trusts governed by the laws of the Province of Ontario or British Columbia. RBC GAM is the manager and portfolio manager of the Funds and its head office is located at 155 Wellington Street West, 22nd Floor, Toronto, Ontario. RBC GAM is also the trustee of those Funds governed by the laws of the Province of Ontario. These financial statements were approved for issuance by the Board of Directors of RBC GAM on March 11, 2019.

The Funds may issue an unlimited number of units in some or all of Series A, Advisor Series, Advisor T5 Series, Series T5, Series T8, Series H, Series D, Series DZ, Series F, Series FT5, Series FT8, Series I, Series N and Series O.

Series A units have no sales charges and are available to all investors through authorized dealers.

Advisor Series units and Advisor T5 Series units are available to all investors through authorized dealers with an initial sales charge or low-load sales charge option. For certain of the Funds, Advisor Series units and Advisor T5 Series units are available with a deferred sales charge option. Under the initial sales charge option, investors pay a sales charge ranging from 0% to 5% of the amount invested. Under the deferred sales charge or low-load sales charge option, sales charges may be applicable, as described in the Simplified Prospectus.

Series T5 units and Series T8 units have no sales charges and are available to all investors through authorized dealers.

Series H units have no sales charges, have lower fees than Series A units and are only available to investors who invest and maintain the required minimum balance through authorized dealers.

Series D units and Series DZ units have no sales charges and have lower fees than Series A units. Series D units and Series DZ units may be available to investors who have accounts with RBC Direct Investing Inc., Phillips, Hager & North Investment Funds Ltd. (“PH&N IF”) or certain other authorized dealers (primarily discount brokers).

Series F units, Series FT5 units and Series FT8 units have no sales charges and have lower fees than Series A units. Series F units, Series FT5 units and Series FT8 units are only available to investors who have fee-based accounts with their dealer.

Series I units have no sales charges, have lower fees than Series F units, Series FT5 units and Series FT8 units and are only available to investors who invest and maintain the required minimum balance and who have accounts with dealers who have signed a fee-based agreement with RBC GAM.

Series N units are only available to related mutual funds.

Series O units are only available to large private or institutional investors or dealers. No management fees are payable by the Funds in respect to Series O units. Unitholders pay a negotiated fee directly to RBC GAM for investment-counselling services.

2. Financial year

The information provided in these financial statements and notes thereto is as at December 31, 2018 and December 31, 2017, as applicable, and for the 12-month periods ended December 31, 2018 and December 31, 2017, as applicable, except for Funds or series established during either period, in which case the information for the Fund, or series, is provided for the period from the start date as described in the Notes to Financial Statements – Fund Specific Information of the Fund.

3. Summary of significant accounting policies

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”). The significant accounting policies of the Funds, which are investment entities, are as follows:

Adoption of New Accounting Standards Effective January 1, 2018, the Funds adopted IFRS 9 Financial Instruments. The new standard requires financial assets to be classified as amortized cost and fair value, with changes in fair value through profit and loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”) based on the entity’s business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Assessment and decision on the business model approach used is an accounting judgment. IFRS 9 also introduces a new expected credit loss impairment model.

The adoption of IFRS 9 has been applied retrospectively without the use of hindsight and did not result in a change to the measurement of financial instruments, in either the current or comparative period. The Funds’ financial assets previously designated at FVTPL under IAS 39 Financial Instruments are now mandatorily classified and measured at

December 31, 2018

FVTPL. The Funds' financial assets and liabilities previously classified as FVTPL under the held for trading category continue to be classified as held for trading and measured at FVTPL. Other financial assets and liabilities will continue to be measured at amortized cost. There was no material impact on the adoption of the new impairment model.

In addition, certain comparative figures in the Statements of Comprehensive Income have been revised to meet the disclosure requirements on initial application of IFRS 9. Amounts previously recorded as "Net gain (loss) on foreign currencies and other net assets," "Other derivatives" and "Net gain (loss) from futures contracts" are now recorded as "Derivative income." And certain amounts previously recorded as "Other income (loss)" are now recorded as "Income from investment trusts."

Classification and Measurement of Financial Assets, Liabilities and Derivatives Each of the Funds classify their investment portfolio based on the business model for managing the portfolio and the contractual cash flow characteristics. The investment portfolio of financial assets and liabilities is managed and performance is evaluated on a fair value basis. The contractual cash flows of the Funds' debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds' business model objectives. Consequently, all investments are measured at FVTPL. Derivative assets and liabilities are also measured at FVTPL.

The Funds' obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount, which approximates fair value as of the reporting date. All other financial assets and liabilities are measured at amortized cost.

Offsetting Financial Assets and Liabilities In the normal course of business, the Funds may enter into various International Swaps and Derivatives Association master netting agreements or other similar arrangements with certain counterparties that allow for related amounts to be offset in certain circumstances, such as bankruptcy or termination of contracts. Offsetting information, where applicable, is presented in the Notes to Financial Statements – Fund Specific Information.

Classification of Redeemable Units The Funds have multiple features across the different series of the Funds. Consequently, the Funds' outstanding redeemable units are classified as financial liabilities in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

Unconsolidated Structured Entities The Funds may invest in other Funds and exchange-traded funds ("ETFs") managed by the manager or an affiliate of the manager ("sponsored funds") and may invest in other funds and ETFs managed by unaffiliated entities ("unsponsored funds"); collectively, "underlying funds." The underlying funds are determined to be unconsolidated structured entities, as decision making in the underlying fund is not governed by the voting rights or other similar rights held by the Fund. The investments in underlying funds are subject to the terms and conditions of the offering documents of the respective underlying funds and are susceptible to market price risk arising from uncertainties about future values of those underlying funds. The underlying funds' objectives are generally to achieve long-term capital appreciation and/or current income by investing in a portfolio of securities and other funds in line with each of their documented investment strategies. The underlying funds apply various investment strategies to accomplish their respective investment objectives.

The underlying funds finance their operations by issuing redeemable units which are puttable at the unitholder's option, and entitle the unitholder to a proportional stake in the respective underlying funds' NAV.

The Funds do not consolidate their investment in underlying funds but account for these investments at fair value. The manager has determined that the Funds are investment entities in accordance with IFRS 10 Consolidated Financial Statements, since the Funds meet the following criteria:

- (i) The Funds obtain capital from one or more investors for the purpose of providing those investors with investment management services,
- (ii) The Funds commit to their investors that their business purpose is to invest funds solely for the returns from capital appreciation, investment income or both, and
- (iii) The Funds measure and evaluate the performance of substantially all of their investments on a fair value basis.

December 31, 2018

Therefore, the fair value of investments in the underlying funds is included in the Schedule of Investment Portfolio and included in “Investments at fair value” in the Funds’ Statements of Financial Position. The change in fair value of the investment held in the underlying funds is included in “Change in unrealized gain (loss) on investments” in the Statements of Comprehensive Income.

Certain Funds may invest in mortgage-related or other asset-backed securities. These securities include commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are securitized by and payable from, mortgage loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans while asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans and student loans. The Funds account for these investments at fair value. The fair value of such securities, as disclosed in the Schedule of Investment Portfolio, represents the maximum exposure to losses at that date.

Determination of Fair Value The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm’s-length transaction between knowledgeable and willing parties under no compulsion to act. In determining fair value, a three-tier hierarchy based on inputs is used to value the Funds’ financial instruments. The hierarchy of inputs is summarized below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), including broker quotes, vendor prices and vendor fair value factors; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Changes in valuation methods may result in transfers into or out of an investment’s assigned level.

The three-tier hierarchy of investments and derivatives is included in Notes to Financial Statements – Fund Specific Information.

Investments and derivatives are recorded at fair value, which is determined as follows:

Equities – Common shares and preferred shares are valued at the closing price recorded by the security exchange on which the security is principally traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.

Fixed-Income and Debt Securities – Bonds, mortgage-backed securities, loans and debentures are valued at the closing price quoted by major dealers or independent pricing vendors in such securities.

NHA-approved mortgages are valued at an amount, which produces a yield equivalent to the prevailing rate of return on mortgages of similar type and term.

Short-Term Investments – Short-term investments are valued at fair value, which is approximated at cost plus accrued interest.

Options – Options give the purchaser the right, but not the obligation, to buy (call) or sell (put) an underlying security or financial instrument at an agreed exercise or strike price during the specified period or on a specified date.

Listed options are valued at the closing price on the recognized exchange on which the option is traded. In circumstances where the closing price is not within the bid-ask spread, management will determine the points within the bid-ask spread that are most representative of the fair value.

Options purchased and options written (sold) are recorded as investments in the Statements of Financial Position. These investments are reported at fair value in the Statements of Financial Position, and unrealized gain or loss at the close of business on each valuation date is recorded in “Change in unrealized gain (loss) on investments” in the Statements of Comprehensive Income.

When an option is exercised and the underlying securities are acquired or delivered, the acquisition cost or sale proceeds are adjusted by the amount of the premium. When an option is closed the Fund will realize a gain or loss equal to the difference between the premium and the cost to close the position. When an option expires, gains or losses are realized equivalent to the amount of premiums received or paid, respectively. The net realized gains (losses) on written and purchased options are included in the Statements of Comprehensive Income in “Net realized gain (loss) on investments.”

December 31, 2018

Warrants – Warrants are valued using a recognized option pricing model, which includes factors such as the terms of the warrant, time value of money and volatility inputs that are significant to such valuation.

Forward Contracts – Forward contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. The receivable/payable on forward contracts is recorded separately in the Statements of Financial Position. Any unrealized gain or loss at the close of business on each valuation date is recorded as “Change in unrealized gain (loss) on investments” and realized gain or loss on foreign exchange contracts is included in “Derivative income” in the Statements of Comprehensive Income.

Total Return Swaps – A total return swap is an agreement by which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. Total return swap contracts are marked to market daily based upon quotations from the market makers and the change in value, if any, is recorded in “Change in unrealized gain (loss) on investments” in the Statements of Comprehensive Income. When the swap contract is terminated early, the Fund records a realized gain or loss equal to the difference between the current net present value and the executed net present value in “Derivative income” in the Statements of Comprehensive Income. Unrealized gains and losses are recorded as “Receivable on open swap contracts” or “Payable on open swap contracts” in the Statements of Financial Position, as applicable. The risks of total return swap contracts include changes in market conditions and the possible inability of the counterparty to fulfill its obligations under the agreement.

Futures Contracts – Futures contracts entered into by the Funds are financial agreements to purchase or sell a financial instrument at a contracted price on a specified future date. However, the Funds do not intend to purchase or sell the financial instrument on the settlement date; rather, they intend to close out each futures contract before settlement by entering into equal, but offsetting, futures contracts. Futures contracts are valued at the gain or loss that would arise as a result of closing the position at the valuation date. Any gain or loss at the close of business on each valuation date is recorded as “Derivative income” in the Statements of Comprehensive Income. The receivable/payable on futures contracts is recorded separately in the Statements of Financial Position.

Credit Default Swap Contracts – Credit default swaps are agreements between a protection buyer and protection seller. The protection buyer pays a periodic fee in exchange for a payment by the protection seller contingent on the occurrence of a credit event, such as a default, bankruptcy or restructuring, with respect to a referenced entity. Periodic fees paid or received are recorded as “Interest for distribution purposes” in the Statements of Comprehensive Income. When the contract is terminated or expires, the payments received or paid are recorded as “Derivative income” in the Statements of Comprehensive Income. Credit default swap contracts are valued based on quotations from independent sources.

Underlying Funds – Underlying funds that are mutual funds are valued at their respective NAV per unit from fund companies on the relevant valuation dates and underlying funds that are exchange-traded funds are valued at market close on the relevant valuation dates.

Fair Valuation of Investments – The Funds have procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Procedures are in place to determine the fair value of foreign securities traded in countries outside of North America daily to avoid stale prices and to take into account, among other things, any significant events occurring after the close of a foreign market.

Management also has procedures where the Funds primarily employ a market-based approach, which may use related or comparable assets or liabilities, NAV per unit (for exchange-traded funds), recent transactions, market multiples, book values and other relevant information for the investment to determine its fair value. The Funds may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments, but only if they arise as a feature of the instrument itself. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

All security valuation techniques are periodically reviewed by the Valuation Committee (“VC”) of the manager and are approved by the manager. The VC provides oversight of the Funds’ valuation policies and procedures.

December 31, 2018

Cash Cash is comprised of cash and deposits with banks and is recorded at amortized cost. The carrying amount of cash approximates its fair value because it is short term in nature.

Foreign Exchange The value of investments and other assets and liabilities in foreign currencies is translated into Canadian dollars (U.S. dollars in the case of the Phillips, Hager & North \$U.S. Money Market Fund, RBC \$U.S. Money Market Fund, RBC Premium \$U.S. Money Market Fund, RBC \$U.S. Short-Term Corporate Bond Fund, RBC \$U.S. Investment Grade Corporate Bond Fund, RBC \$U.S. High Yield Bond Fund, RBC \$U.S. Strategic Income Bond Fund, BlueBay Emerging Markets Bond Fund (Canada), BlueBay Emerging Markets Local Currency Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay \$U.S. Global Convertible Bond Fund (Canada) and RBC U.S. Monthly Income Fund) at the rate of exchange on each valuation date. Gains/losses on foreign cash balances are included in “Net gain (loss) on foreign cash balances” in the Statements of Comprehensive Income. Purchases and sales of investments, income and expenses are translated at the rate of exchange prevailing on the respective dates of such transactions. Realized foreign exchange gains/losses on spot and forward currency contracts are included in “Derivative income” in the Statements of Comprehensive Income.

Functional Currency The Funds, with the exceptions below, have their subscriptions, redemptions and performance denominated in Canadian dollars and, consequently, the Canadian dollar is the functional currency for the Funds. Phillips, Hager & North \$U.S. Money Market Fund, RBC \$U.S. Money Market Fund, RBC Premium \$U.S. Money Market Fund, RBC \$U.S. Short-Term Corporate Bond Fund, RBC \$U.S. Investment Grade Corporate Bond Fund, RBC \$U.S. High Yield Bond Fund, RBC \$U.S. Strategic Income Bond Fund, BlueBay Emerging Markets Bond Fund (Canada), BlueBay Emerging Markets Local Currency Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay \$U.S. Global Convertible Bond Fund (Canada) and RBC U.S. Monthly Income Fund have their subscriptions, redemptions and performance denominated in U.S. dollars and, consequently, the U.S. dollar is the functional currency for these Funds.

Valuation of Series A different NAV is calculated for each series of units of a Fund. The NAV of a particular series of units is computed by calculating the value of the series’ proportionate share of the assets and liabilities of the Fund common to all series less the liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged to that series. Other expenses are allocated proportionately to each series based upon the relative NAV of each series. Expenses are accrued daily.

Investment Transactions Investment transactions are accounted for as of the trade date. Transaction costs, such as brokerage commissions, incurred by the Funds are recorded in the Statements of Comprehensive Income for the period. The unrealized gain and loss on investments is the difference between fair value and average cost for the period. The basis of determining the cost of portfolio assets, and realized and unrealized gains and losses on investments, is average cost which does not include amortization of premiums or discounts on fixed-income and debt securities with the exception of zero coupon bonds.

Income Recognition Dividend income is recognized on the ex-dividend date and interest for distribution purposes is coupon interest recognized on an accrual basis and/or imputed interest on zero coupon bonds. “Income from investment trusts” includes income from underlying funds and other trusts. Any premiums paid or discounts received on the purchase of zero coupon bonds are amortized. Interest payments made by the Funds to counterparties on the payable leg of derivative contracts are recorded as “Interest expense” in the Statements of Comprehensive Income.

Increase (Decrease) in NAV per Unit Increase (decrease) in NAV per unit in the Statements of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series, divided by the average units outstanding per series during the period.

Early Redemption Fees Early redemption fees (short-term trading fees) are paid directly to a Fund and are designed to deter excessive trading and its associated costs. With the exception of money market funds, a Fund may apply a fee of 2% of the current value of units if the unitholder redeems or switches out units within seven days of purchasing or previously switching into a Fund. These amounts are included in the Statements of Changes in NAV.

December 31, 2018

Foreign Currencies The following is a list of abbreviations used in the Schedule of Investment Portfolio:

ARS – Argentinian peso	KZT – Kazakhstan tenge
AUD – Australian dollar	MXN – Mexican peso
BRL – Brazilian real	MYR – Malaysian ringgit
CAD – Canadian dollar	NOK – Norwegian krone
CHF – Swiss franc	NZD – New Zealand dollar
CLP – Chilean peso	PEN – Peruvian nuevo sol
CNY – Chinese renminbi	PHP – Philippine peso
COP – Colombian peso	PLN – Polish zloty
CZK – Czech koruna	RON – Romanian leu
DKK – Danish krone	RUB – Russian ruble
EUR – Euro	SEK – Swedish krona
GBP – Pound sterling	SGD – Singapore dollar
HKD – Hong Kong dollar	THB – Thailand baht
HUF – Hungarian forint	TRY – Turkish new lira
IDR – Indonesian rupiah	TWD – New Taiwan dollar
ILS – Israeli new shekel	USD – United States dollar
INR – Indian rupee	UYU – Uruguay peso
JPY – Japanese yen	ZAR – South African rand
KRW – South Korean won	

4. Critical accounting judgments and estimates

The preparation of financial statements requires the use of judgment in applying the Funds' accounting policies and making estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that management has made in preparing the financial statements.

Fair value measurement of securities not quoted in an active market

The Funds have established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed and consistently applied from period to period. The estimates of the value of the Funds' assets and liabilities are believed to be appropriate as at the reporting date.

The Funds may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by management for the estimates used in determining fair value.

5. Financial instrument risk and capital management

RBC GAM is responsible for managing each Fund's capital, which is its NAV and consists primarily of its financial instruments.

A Fund's investment activities expose it to a variety of financial risks. RBC GAM seeks to minimize potential adverse effects of these risks on a Fund's performance by employing professional, experienced portfolio managers, daily monitoring of the Fund's holdings and market events, diversifying its

investment portfolio within the constraints of its investment objectives and, in some cases, periodically hedging certain risk exposures through the use of derivatives. To assist in managing risks, RBC GAM also uses internal guidelines, maintains a governance structure that oversees each Fund's investment activities and monitors compliance with the Fund's investment strategies, internal guidelines and securities regulations.

Financial instrument risk, as applicable to a Fund, is disclosed in its Notes to Financial Statements – Fund Specific Information. These risks include a Fund's direct risks and pro rata exposure to the risks of underlying funds, as applicable.

Liquidity risk

Liquidity risk is the possibility that investments in a Fund cannot be readily converted into cash when required. A Fund is exposed to daily cash redemptions of redeemable units. Liquidity risk is managed by investing the majority of a Fund's assets in investments that are traded in an active market and that can be readily disposed. In accordance with securities regulations, a Fund must maintain at least 90% of its assets in liquid investments. In addition, a Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity, and has the ability to borrow up to 5% of its NAV for the purpose of funding redemptions. All non-derivative financial liabilities, other than redeemable units, are due within 90 days.

Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty not being able to meet its financial obligations. The carrying amount of investments and other assets represents the maximum credit risk exposure as disclosed in a Fund's Statements of Financial Position. The Funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. All other receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of AA/Aa or higher. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds. The fair value of fixed-income and debt securities includes a consideration of the

December 31, 2018

creditworthiness of the debt issuer. Credit risk exposure to over-the-counter derivative instruments is based on a Fund's unrealized gain on the contractual obligations with the counterparty. Credit risk exposure is mitigated for those Funds participating in a securities lending program (see note 7). RBC GAM monitors each Fund's credit exposure and counterparty ratings daily.

Concentration risk

Concentration risk arises as a result of net financial instrument exposures to the same category, such as geographical region, asset type, industry sector or market segment. Financial instruments in the same category have similar characteristics and may be affected similarly by changes in economic or other conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of a Fund's interest-bearing investments will fluctuate due to changes in market interest rates. The value of fixed-income and debt securities, such as bonds, debentures, mortgages or other income-producing securities, is affected by interest rates. Generally, the value of these securities increases if interest rates fall and decreases if interest rates rise.

Currency risk

Currency risk is the risk that the value of investments denominated in currencies, other than the functional currency of a Fund, will fluctuate due to changes in foreign exchange rates. The value of investments denominated in a currency other than the functional currency is affected by changes in the value of the functional currency in relation to the value of the currency in which the investment is denominated. When the value of the functional currency falls in relation to foreign currencies, then the value of the foreign investments rises. When the value of the functional currency rises, the value of the foreign investments falls.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment.

6. Taxes

The Funds qualify as open-ended mutual fund trusts or unit trusts under the *Income Tax Act* (Canada). In general, the Funds are subject to income tax; however, no income tax is payable on net income and/or net realized capital gains which are distributed to unitholders. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In addition, for mutual fund trusts, income taxes payable on net realized capital gains are refundable on a formula basis when units of the Funds are redeemed.

Capital losses are available to be carried forward indefinitely and applied against future capital gains. Non-capital losses may be carried forward to reduce future taxable income for up to 20 years.

7. Securities lending revenue

Certain of the Funds lend portfolio securities from time to time in order to earn additional income. Income from securities lending is included in the Statements of Comprehensive Income of a Fund. Each such Fund will have entered into a securities lending program with its custodian, RBC Investor Services Trust ("RBC IS"). The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the assets of a Fund. The Fund receives collateral, with an approved credit rating of at least A, of at least 102% of the value of securities on loan. The Fund is indemnified by RBC IS for any collateral credit or market loss. As such, the credit risk associated with securities lending is considered minimal.

8. Administrative and other related-party transactions

Manager and Portfolio Manager

RBC GAM is an indirect wholly owned subsidiary of Royal Bank of Canada ("Royal Bank"). RBC GAM is the manager and portfolio manager of the Funds. RBC GAM is responsible for the Funds' day-to-day operations, provides investment advice and portfolio management services to the Funds and appoints distributors for the Funds. RBC GAM is paid a management fee by the Funds as compensation for its services. The management fee is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. No management fees are paid by the Funds with respect to Series O units. Unitholders of Series O units pay a negotiated fee directly to RBC GAM for investment-counselling services.

December 31, 2018

The Funds pay a fixed administration fee to RBC GAM. The fixed administration fee is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. RBC GAM in turn pays certain operating expenses of the Funds. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees and the costs of preparing and distributing annual and interim reports, prospectuses, statements and investor communications.

Notwithstanding the fixed administration fee, the Funds also pay certain operating expenses directly, including the costs related to the Independent Review Committee of the Funds, and the cost of any new government or regulatory requirements introduced and any borrowing costs (collectively, “other fund costs”), and taxes (including, but not limited to, GST/HST). Other fund costs will be allocated proportionately to each series based upon the relative NAV of each series. RBC GAM may, in some years and in certain cases, absorb a portion of operating expenses. The decision to absorb the operating expenses is reviewed annually and determined at the discretion of RBC GAM, without notice to unitholders.

Certain Funds may invest in units of other Funds managed by RBC GAM or its affiliates (“underlying mutual funds”). A Fund will not invest in units of an underlying mutual fund if the Fund would be required to pay any management or incentive fees in respect of that investment that a reasonable person would believe duplicates a fee payable by the underlying mutual fund for the same service. To the extent a Fund invests in underlying funds managed by RBC GAM or its affiliates, the fees and expenses payable by the underlying funds are in addition to the fees and expenses payable by the Fund. However, a Fund may only invest in one or more underlying funds provided that no management fees or incentive fees are payable that would duplicate a fee payable by the underlying fund for the same service. The Fund’s ownership interest in underlying mutual funds is disclosed in the Notes to Financial Statements – Fund Specific Information.

RBC GAM or its affiliates may earn fees and spreads in connection with various services provided to, or transactions with, the Funds, 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 Funds also maintain 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 Funds in the course of their normal business, all of which are wholly owned subsidiaries of Royal Bank of Canada, are discussed below.

Sub-Advisors

RBC Global Asset Management (U.S.) Inc. is the sub-advisor for the RBC \$U.S. Investment Grade Corporate Bond Fund, RBC U.S. Mid-Cap Growth Equity Fund, RBC U.S. Mid-Cap Growth Equity Currency Neutral Fund, RBC U.S. Mid-Cap Value Equity Fund, RBC U.S. Small-Cap Core Equity Fund, RBC U.S. Small-Cap Value Equity Fund and Phillips, Hager & North U.S. Multi-Style All-Cap Equity Fund (for a portion of the Fund). RBC Global Asset Management (UK) Limited is the sub-advisor for the RBC Global Bond Fund (for a portion of the Fund), RBC Global Corporate Bond Fund (for a portion of the Fund), RBC U.S. Monthly Income Fund (for a portion of the Fund), RBC Balanced Fund (for the European equity portion of the Fund), RBC Global Balanced Fund (for the European equity portion of the Fund), RBC International Dividend Growth Fund, RBC International Equity Fund (for the European equity portion of the Fund), RBC European Dividend Fund, RBC European Equity Fund, RBC European Mid-Cap Equity Fund, RBC Emerging Markets Dividend Fund, RBC Emerging Markets Equity Fund, RBC Emerging Markets Small-Cap Equity Fund, RBC Global Dividend Growth Fund, RBC Global Dividend Growth Currency Neutral Fund, RBC Global Equity Fund, RBC Global Equity Focus Fund, RBC Vision Global Equity Fund, RBC Vision Fossil Fuel Free Global Equity Fund, Phillips, Hager & North Overseas Equity Fund and Phillips, Hager & North Global Equity Fund. RBC Investment Management (Asia) Limited is the sub-advisor for the RBC Balanced Fund (for the Asian equity portion of the Fund), RBC Global Balanced Fund (for the Asian equity portion of the Fund), RBC Vision Balanced Fund (for the Asian equity portion of the Fund), RBC International Dividend Growth Fund (for the Asian equity portion of the Fund), RBC International Equity Fund (for the Asian equity portion of the Fund), RBC Asian Equity Fund, RBC Asia Pacific Ex-Japan Equity Fund and RBC Japanese Equity Fund. BlueBay Asset Management LLP is the sub-advisor of the BlueBay Global Monthly Income Bond Fund, BlueBay Global

December 31, 2018

Sovereign Bond Fund (Canada), BlueBay Global Investment Grade Corporate Bond Fund (Canada), BlueBay European High Yield Bond Fund (Canada), BlueBay Emerging Markets Bond Fund (Canada), BlueBay Emerging Markets Local Currency Bond Fund (Canada), BlueBay Emerging Markets Corporate Bond Fund, BlueBay Global Convertible Bond Fund (Canada) and BlueBay \$U.S. Global Convertible Bond Fund (Canada).

The sub-advisors earn a fee which is calculated and accrued daily as a percentage of the NAV of each series of units of the Funds. The sub-advisors are paid by the manager from the management fee paid by the Funds.

Trustee

RBC GAM is the trustee for the Funds governed by the laws of the Province of Ontario. RBC IS is the trustee for the Funds governed by the laws of the Province of British Columbia. The trustee holds title to the Funds' property on behalf of the unitholders. The trustee earns a fee, which is paid by the manager from the fixed administration fee paid by the Funds.

Distributors

RBC GAM, Royal Mutual Funds Inc., RBC Direct Investing Inc., RBC Dominion Securities Inc. and PH&N IF are principal distributors of, or may distribute certain series of units of, the Funds. Dealers receive an ongoing commission based on the total value of their clients' Series A, Advisor Series, Advisor T5 Series, Series T5, Series T8, Series H and Series D units.

Custodian

RBC IS is the custodian and holds the assets of the Funds. RBC IS earns a fee as the custodian, which is paid by the manager from the fixed administration fee paid by the Funds.

Registrars

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

Brokers and Dealers

The Funds have established or may establish standard brokerage agreements and dealing agreements at market rates with related parties such as RBC Dominion Securities Inc., RBC Capital Markets, LLC, RBC Europe Limited, NBC Securities Inc. and Royal Bank of Canada.

Securities Lending Agent

To the extent a 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 Funds 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 Funds, (iii) is in compliance with RBC GAM policies and procedures, and (iv) achieves a fair and reasonable result for the Funds. RBC GAM policy requires that an investment decision in respect of Inter-Fund Trading is in the best interests of each Fund.

RBC Funds and RBC Private Pools**By Phone**Investors: **1-800-463-FUND (3863)**Dealers: **1-800-662-0652****On the Internet**Visit our website at: **www.rbcgam.com/funds**Email us at: **funds.investments@rbc.com****Phillips, Hager & North Funds****By Phone**Investors: **1-800-661-6141**Dealers: **1-800-662-0652****On the Internet**Visit our website at: **www.rbcgam.com/funds**Email us at: **info@phn.com****By Mail**

Head office:

**RBC Global Asset Management Inc.
155 Wellington Street West
Suite 2200
Toronto, Ontario
M5V 3K7**

For general mutual fund enquiries, write to:

**RBC Global Asset Management Inc.
P.O. Box 7500, Station A
Toronto, Ontario
M5W 1P9**



**Global Asset
Management**