



RBC Emerging Markets Foreign Exchange Fund

Investment Objective

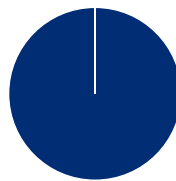
To provide total returns associated with those of emerging market currencies and short-term interest rates and to provide total returns comprised of income and modest capital growth. The fund invests primarily in short-term Canadian money market instruments and foreign exchange forward contracts on emerging market currencies.

Fund Details

Series A	Load Structure: No Load	Currency: CAD	Fund Code: RBF406
Inception Date	July 2015		
Total Fund Assets \$Mil	904.0		
Series A NAV \$	9.41		
Series A MER %	1.70		
Benchmark	JP Morgan Emerging Local Markets Index (ELMI+) (CAD)		
Income Distribution	Quarterly		
Capital Gains Distribution	Annually		
Sales Status	Open		
Min. Investment \$	500		
Subsequent Investment \$	25		
Fund Category	Emerging Markets Fixed Income		
Management Company	RBC Global Asset Management Inc.		
Web Site	www.rbcgam.com		

Portfolio Analysis as of July 31, 2019

Asset Mix



	% Assets
Cash	100.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	0.0
Other	0.0

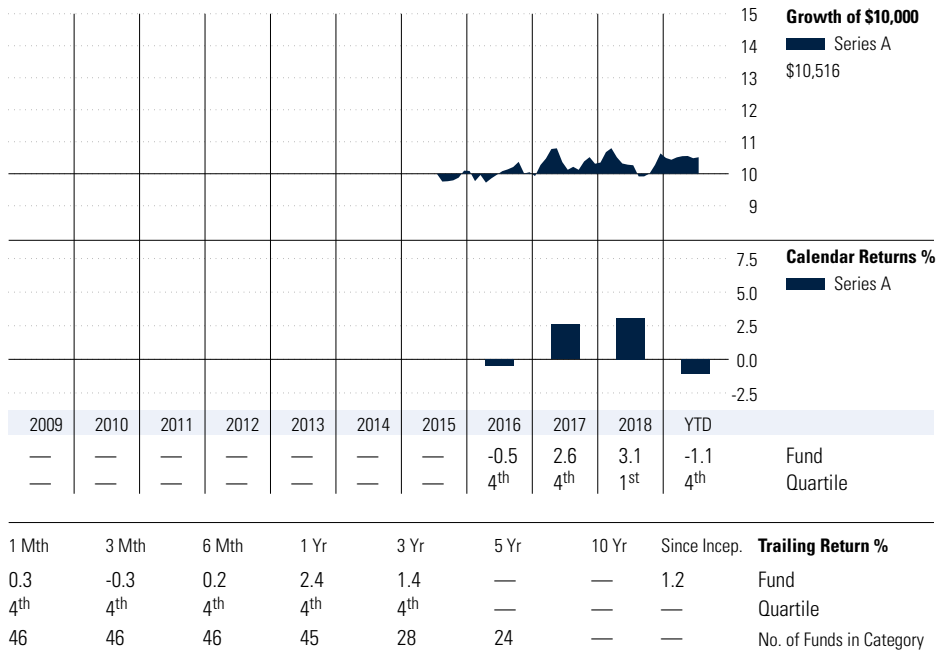
Top 10 Holdings

	% Assets
South Korea	9.8
China	9.6
Mexico	8.7
India	8.2
Singapore	6.6
Russia	6.2
Poland	5.3
Thailand	4.9
Turkey	4.8
Taiwan	4.6
Total % of Top 10 Holdings	68.7
Total Number of Other Holdings	25
Total Number of Holdings	25

Geographic Allocations

	% Assets
Asia	53.9
Eastern Europe, Middle East & Africa	26.3
Latin America	19.0
Canada & US	0.7

Performance Analysis as of July 31, 2019





RBC Emerging Markets Foreign Exchange Fund

Management Overview

Manager Bios

Dagmara Fijalkowski

RBC Global Asset Management Inc.

As Head of Global Fixed Income and Currencies, Dagmara leads investment teams in Toronto, London and Minneapolis in charge of almost \$100 billion in fixed income assets. She heads management of several bond funds and manages foreign-exchange hedging and active currency overlay programs across a number of funds. Dagmara, who began her investment career in 1994, holds an MBA from the Richard Ivey School of Business, a Master's degree in economics from the University of Lodz in Poland and is a CFA charterholder.

Performance Analysis Cont'd as of July 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.12	0.00	0.33	0.26	0.35	—	—	—	—	—	—
Interest	0.12	0.00	0.33	0.26	0.35	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	4-2017	10.8	4-2019	2.8	—	—	—	—
Worst	5-2018	-4.4	9-2018	0.5	—	—	—	—
Average		1.6		1.5		—		—
No. of Periods		37		13		—		—
Pct. Positive		67.6		100.0		—		—

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

Commentary as at June 30, 2019

Emerging-market currencies posted broad gains versus the U.S. dollar during the first half of 2019, aided by indications that developed-market central banks were on the path to lowering interest rates amid weakening global economic growth and faltering inflation. These steps made yields on emerging-market assets relatively attractive and boosted the odds of a recovery in global growth.

Returns were more muted in Canadian-dollar terms, as the Canadian currency also rose against the U.S. dollar. The Canadian dollar rose in response to a bounce in crude-oil prices, stronger economic data and a central bank that is perceived as less likely to cut interest rates than other major central banks. This is the reason why the Canadian-dollar-denominated portfolio was up only modestly at a time when emerging-market currencies outperformed the U.S. dollar.

Some emerging-market currencies were buoyed by country-specific developments, including Argentina and Brazil, which are moving toward credible policy-making and structural reforms.

These were among the currencies favoured over the course of the year as the portfolio manager reduced exposure to Asia, where many countries had more to lose in an extended trade spat between the U.S. and China.

The portfolio manager expects emerging-market currencies to continue recovering in the near term given indications that the world's major central banks and governments will continue to provide monetary and fiscal stimulus. However, returns will be tempered by expectations that economic growth for most emerging economies will remain subdued in coming months, and that trade tensions will persist.

Given the extremely low levels of volatility that currently prevail in the currency markets, the portfolio manager is limiting the Fund's exposure to the riskiest currencies. The portfolio manager continues to favour emerging markets with faster economic growth, credible economic and social policies and lower vulnerability to global trade.



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Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the preceding calendar year or most recent half-year period ended June 30 expressed on an annualized basis, depending on availability of data at the time of publication.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the preceding full year period ended March 31 or half-year period ended September 30 expressed on an annualized basis, depending on availability of data at the time of publication.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

Graphs are only used to illustrate the effects

of the compound growth rate and do not reflect future values of any fund or returns on investment of any fund.

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Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4).

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