



# RBC European Equity Fund

## Investment Objective

To provide long-term capital growth by investing in equity securities of European companies in order to provide exposure to growth opportunities in the European economy and diversification benefits beyond North America.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF457
Adv	Deferred Sales	CAD	RBF848
Adv	Front End	CAD	RBF748
Adv	Low Load	CAD	RBF174
T5	No Load	CAD	RBF5457

Inception Date	July 1987
Total Fund Assets \$Mil	6,812.9
Series A NAV \$	21.93
Series A MER %	2.15
Benchmark	MSCI Europe Total Return Net Index (\$C)

Income Distribution	Annually
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	European Equity
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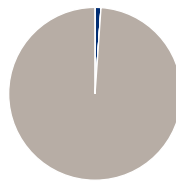
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

## Portfolio Analysis as of July 31, 2019

### Asset Mix

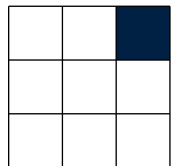


	% Assets
Cash	1.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	98.9
Other	0.0

### Top 10 Holdings

	% Assets
London Stock Exchange Group PLC	5.8
Diageo PLC	5.2
Unilever PLC	5.0
RELX PLC	4.9
Novo Nordisk A/S B	4.4
Roche Holding AG Dividend Right Cert.	4.2
Heineken NV	4.2
Royal Dutch Shell PLC Class A	3.4
SAP SE	3.2
LVMH Moët Hennessy Louis Vuitton SE	3.2
Total % of Top 10 Holdings	43.4
Total Number of Stock Holdings	51
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>52</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	2.8
P/E Ratio	17.9
Avg. Mkt Cap. \$B	51.6

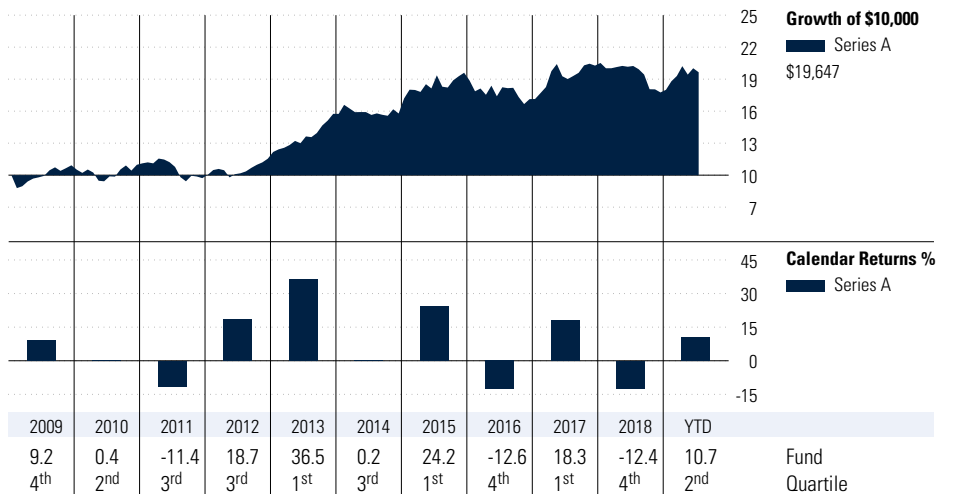
### Top 5 Sectors

	% Equity
Financials	19.5
Consumer Staples	18.0
Industrials	16.3
Health Care	15.4
Consumer Discretionary	11.1

### Geographic Allocations

	% Assets
United Kingdom	47.1
Switzerland	9.7
Germany	8.7
Netherlands	8.4
Denmark	7.5

## Performance Analysis as of July 31, 2019



1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-1.9	-2.8	9.2	-2.9	2.5	4.7	7.1	4.0	Fund
3 <sup>rd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	Quartile
190	190	187	179	147	102	62	—	No. of Funds in Category



# RBC European Equity Fund

## Management Overview

### Manager Bios

#### Dominic Wallington

##### RBC Global Asset Management (UK) Limited

Dominic has worked in the investment industry since 1991 and has been a portfolio manager since 1993. Prior to joining RBC Global Asset Management (UK) Limited, he worked for Invesco Perpetual. Between 2002 and July 2007, Dominic ran several Continental European equity funds for individual investors and institutions. He has a Masters in Finance and Investment from the University of Exeter. Dominic also holds the Securities Institute Diploma and is a Fellow of the Securities Institute.

#### David Lambert

##### RBC Global Asset Management (UK) Limited

David is a Portfolio Manager with the European Equity team of RBC Global Asset Management (UK) Limited. He is part of a veteran team that strives to identify superior investment opportunities while minimizing risks. David began his career with the firm in 1999 as a Quantitative Analyst and became a Portfolio Manager in 2003. He graduated from Loughborough University with a First Class BSc (Hons) degree in Mathematics and is an Associate of the UK Society of Investment Professionals (CFA UK).

### Performance Analysis Cont'd as of July 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.77	0.81	0.30	—	1.88	0.05	0.14	0.13	0.03	0.25
Interest	—	0.21	0.04	0.04	—	0.06	0.05	0.14	0.13	0.03	0.25
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.56	0.78	0.26	—	1.83	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	5-1998	47.2	2-2000	28.7	2-2000	23.1	3-2019	8.0
Worst	10-2008	-35.8	3-2003	-23.0	5-2012	-9.9	6-2010	-6.0
Average		6.0		6.4		5.2		2.7
No. of Periods		289		265		241		181
Pct. Positive		66.1		65.7		58.9		71.8

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

### Commentary as at June 30, 2019

European equities performed well during the first six months of 2019, rebounding from declines at the end of last year, on prospects for falling interest rates and a degree of optimism that the U.S. and China would settle their trade dispute before too much damage could be done to global commerce. Gains recorded in the first half restored stocks close to levels where they were in mid-2018.

The failure of U.K. politicians to agree to terms by which the U.K. would leave the European Union (the "EU") continued to hamper the U.K.'s economic growth. The portfolio manager notes that the Fund's investments tend to be in global businesses whose fortunes do not depend unduly on the swings of regional politics.

Against this political backdrop, unemployment rates in Europe still managed to reach their lowest levels since 2008. While European economic conditions stabilized to some degree, subdued growth remained a concern for many investors.

The stock markets of Switzerland, the Netherlands

and France were Europe's strongest-performing equity markets. Finland was Europe's worst-performing stock market, with Austria and Spain also performing poorly. The Fund's underweight position in the Communication Services sector held back portfolio returns the most, while an equal-weight position in Financials was the largest contributor to relative returns.

Among individual stocks, London Stock Exchange Group, the financials company, was the biggest contributor to the Fund's performance. Imperial Brands, the tobacco company, held back returns the most.

Geopolitical uncertainty and economic indicators continue to suggest that economic growth could moderate, meaning market volatility is likely to continue for the remainder of 2019. Other factors that are likely to influence markets include the appointments of new leaders for the European Commission, the EU's governing body, and the European Central Bank, as well as the question of the final form of Brexit.



# RBC European Equity Fund

## 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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