



# RBC Global Precious Metals Fund

## Investment Objective

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 (gold, silver and platinum) and in bullion, coins, receipts and certificates.

## Fund Details

| Series | Load Structure | Currency | Fund Code |
|--------|----------------|----------|-----------|
| A      | No Load        | CAD      | RBF468    |
| Adv    | Deferred Sales | CAD      | RBF865    |
| Adv    | Front End      | CAD      | RBF774    |
| Adv    | Low Load       | CAD      | RBF178    |

|                         |                           |
|-------------------------|---------------------------|
| Inception Date          | October 1988              |
| Total Fund Assets \$Mil | 603.7                     |
| Series A NAV \$         | 38.78                     |
| Series A MER %          | 2.13                      |
| Benchmark               | S&P/TSX Global Gold Index |

|                            |          |
|----------------------------|----------|
| Income Distribution        | Annually |
| Capital Gains Distribution | Annually |

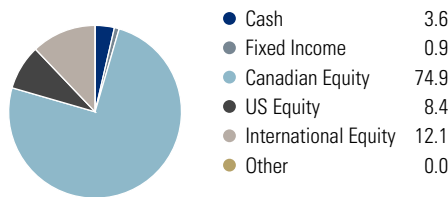
|                          |      |
|--------------------------|------|
| Sales Status             | Open |
| Min. Investment \$       | 500  |
| Subsequent Investment \$ | 25   |

|               |                        |
|---------------|------------------------|
| Fund Category | Precious Metals Equity |
|---------------|------------------------|

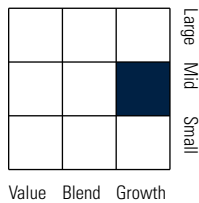
|                    |                                  |
|--------------------|----------------------------------|
| Management Company | RBC Global Asset Management Inc. |
| Web Site           | www.rbcgam.com                   |

## Portfolio Analysis as of July 31, 2019

### Asset Mix



### Equity Style



### Top 5 Sectors

| Sector                 | % Equity |
|------------------------|----------|
| Materials              | 100.0    |
| Energy                 | 0.0      |
| Industrials            | 0.0      |
| Consumer Discretionary | 0.0      |
| Consumer Staples       | 0.0      |

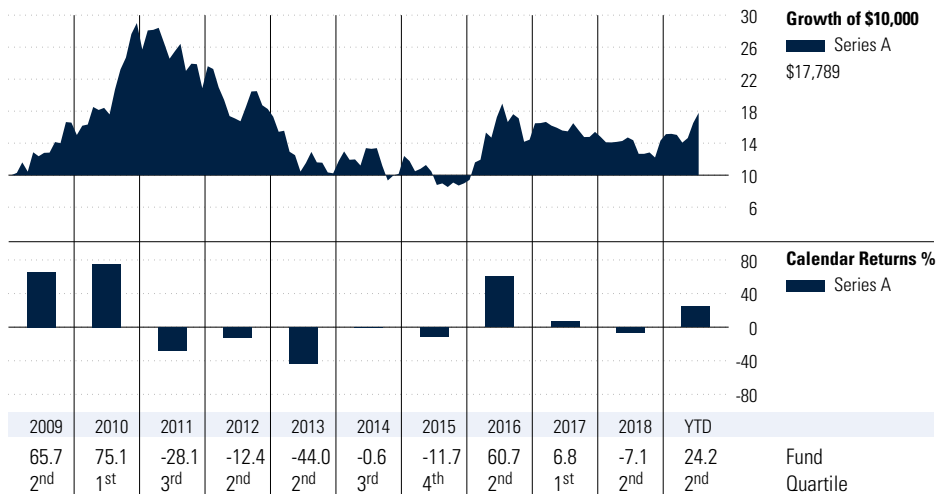
### Geographic Allocations

| Region        | % Assets |
|---------------|----------|
| Canada        | 78.5     |
| United States | 8.8      |
| Côte D'Ivoire | 5.2      |
| Australia     | 3.9      |
| New Zealand   | 2.4      |

### Top 10 Holdings

| Company                         | % Assets  |
|---------------------------------|-----------|
| Kirkland Lake Gold Ltd          | 8.2       |
| Newmont Goldcorp Corp           | 8.2       |
| Agnico Eagle Mines Ltd          | 8.1       |
| Barrick Gold Corp               | 8.1       |
| Detour Gold Corp                | 5.7       |
| Alamos Gold Inc                 | 5.4       |
| Endeavour Mining Corp           | 4.9       |
| Torex Gold Resources Inc        | 4.4       |
| Wesdome Gold Mines Ltd          | 4.4       |
| B2Gold Corp                     | 4.1       |
| Total % of Top 10 Holdings      | 61.4      |
| Total Number of Stock Holdings  | 60        |
| Total Number of Bond Holdings   | 4         |
| Total Number of Other Holdings  | 1         |
| <b>Total Number of Holdings</b> | <b>65</b> |

## Performance Analysis as of July 31, 2019



| Period       | 1 Mth           | 3 Mth           | 6 Mth           | 1 Yr            | 3 Yr            | 5 Yr            | 10 Yr           | Since Incep. | Trailing Return %        |
|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|--------------------------|
| Return       | 7.7             | 26.5            | 17.6            | 23.9            | -2.1            | 6.0             | 3.4             | 9.8          | Fund                     |
| Rank         | 2 <sup>nd</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 3 <sup>rd</sup> | 1 <sup>st</sup> | 2 <sup>nd</sup> | 1 <sup>st</sup> | —            | Quartile                 |
| No. of Funds | 63              | 63              | 63              | 53              | 47              | 45              | 29              | —            | No. of Funds in Category |



# RBC Global Precious Metals Fund

## Management Overview

### Manager Bios

#### Chris Beer

##### RBC Global Asset Management Inc.

Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

#### Brahm Spilfogel

##### RBC Global Asset Management Inc.

Brahm Spilfogel is Vice President and Senior Portfolio Manager, Global Equities. He has been in the investment industry since 1991.

#### Jeffrey Schok

##### RBC Global Asset Management Inc.

Jeffrey is Portfolio Manager and Senior Analyst for global resources and precious metal strategies. Jeffrey began his investment career in 2006 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     | —    | —    | —    | —    | —    | —    | —    | —    | 9.70 | 9.58 | 2.00 |
| Interest                | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Dividends               | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |
| Capital Gains           | —    | —    | —    | —    | —    | —    | —    | —    | 9.70 | 9.58 | 2.00 |
| Return Of Capital       | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    | —    |

| Best/Worst Periods % | Ended   | 1 Yr  | Ended   | 3 Yr  | Ended   | 5 Yr  | Ended   | 10 Yr |
|----------------------|---------|-------|---------|-------|---------|-------|---------|-------|
| Best                 | 2-1996  | 163.7 | 11-2003 | 83.0  | 4-2006  | 48.9  | 12-2010 | 35.4  |
| Worst                | 10-2008 | -53.1 | 12-2013 | -29.4 | 12-2015 | -20.9 | 2-2018  | -0.9  |
| Average              |         | 17.7  |         | 16.1  |         | 16.2  |         | 17.4  |
| No. of Periods       |         | 289   |         | 265   |         | 241   |         | 181   |
| Pct. Positive        |         | 54.0  |         | 69.4  |         | 69.7  |         | 98.3  |

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

### Commentary as at June 30, 2019

Gold prices rose to their highest level in six years during the first half of 2019, and ended about 10% higher for the period. Gold breached US\$1,400 in June, as the U.S. Federal Reserve signaled that it would lower interest rates and Middle Eastern tensions flared following the downing of a U.S. drone by Iran. U.S.-dollar strength in the first quarter and relatively weak prices for crude oil and base metals had resulted in the price of gold touching the highest level in eight years in Canadian-dollar terms and an all-time high in Australian-dollar terms. Silver prices fell 1% while the ratio between gold and silver prices expanded to an all-time high of more than 90. Palladium was the best-performing precious metal during the period, rising 22% as demand outstripped supply.

The Fund's returns outpaced the gold price during the period. Stocks that had a positive impact on relative performance included Kirkland Lake Gold, Alamos Gold, and K92 Mining, all of whom reported better-than-expected operations and exploration results. Returns were held back by

overweight positions in Dacian Gold, Belo Sun Mining, and OceanaGold which failed to participate in the rally.

In the portfolio manager's view, precious-metal equities are poised to benefit from any U.S. economic weakness that could prompt the U.S. Federal Reserve to begin lowering interest rates. The portfolio manager invests primarily in higher-quality companies with superior assets, disciplined management and a focus on free cash flow.

Recent merger activity in the gold industry may create an opportunity for mid-tier companies to acquire assets that Barrick, Newmont and other major producers may seek to divest and/or spur additional industry consolidation as companies grapple with declining reserves. The Fund holds small mining companies with attractive deposits, some of which could become takeover targets as larger companies seek to bolster long-term growth.



# RBC Global Precious Metals 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.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

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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