



# RBC Japanese Equity Fund

## Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of Japanese companies.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF476
Adv	Front End	CAD	RBF6736
Adv	Low Load	CAD	RBF4076

Inception Date	March 2014
Total Fund Assets \$Mil	1,403.2
Series A NAV \$	11.85
Series A MER %	2.21
Benchmark	MSCI Japan Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

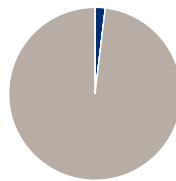
Fund Category	Geographic Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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## Portfolio Analysis as of August 31, 2019

### Asset Mix

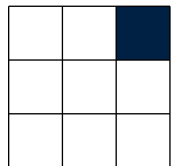


	% Assets
Cash	1.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	98.1
Other	0.0

### Top 10 Holdings

	% Assets
SoftBank Group Corp	6.3
Daiichi Sankyo Co Ltd	3.7
Tokio Marine Holdings Inc	3.2
PeptiDream Inc	3.1
Keyence Corp	3.0
Recruit Holdings Co Ltd	2.9
Sumitomo Mitsui Financial Group Inc	2.7
Bridgestone Corp	2.7
M3 Inc	2.7
Nippon Telegraph & Telephone Corp	2.7
Total % of Top 10 Holdings	33.0
Total Number of Stock Holdings	59
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>60</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	1.7
P/E Ratio	16.4
Avg. Mkt Cap. \$B	21.7

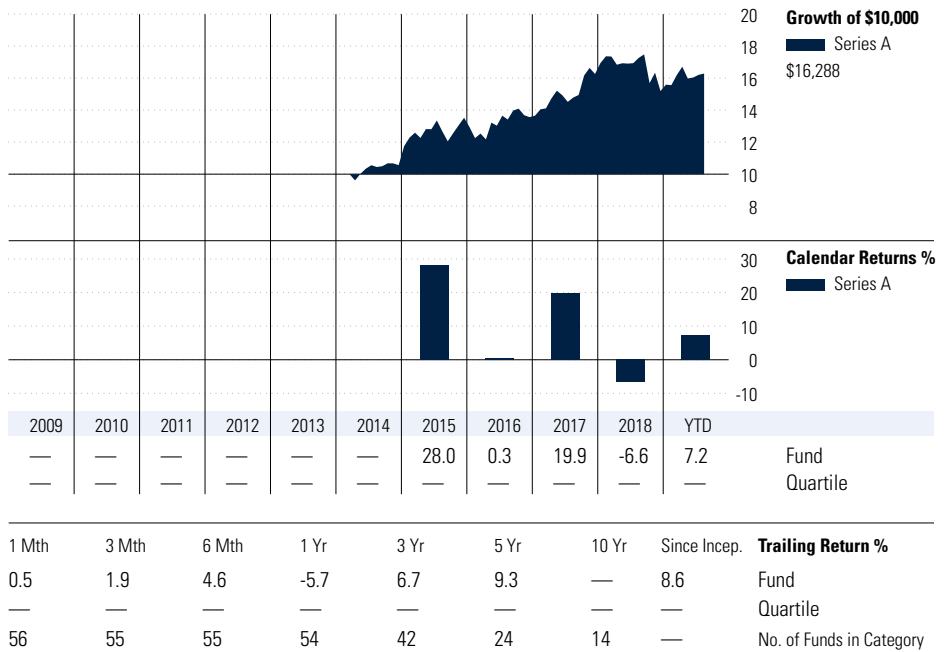
### Top 5 Sectors

	% Equity
Consumer Discretionary	17.0
Industrials	15.5
Health Care	14.8
Information Technology	13.4
Consumer Staples	12.9

### Geographic Allocations

	% Assets
Japan	99.0
China	1.0

## Performance Analysis as of August 31, 2019





# RBC Japanese Equity Fund

## Management Overview

### Manager Bios

#### Tomonori Kaneko

#### RBC Global Asset Management (Asia) Ltd.

Tomonori Kaneko is Portfolio Manager, Japanese Equities. He has worked in the RBC investment industry since 2003. Prior to joining RBC, he was a junior portfolio manager for Marshall Wace GaveKal Japan equity focused strategies and senior analyst at Perry Capital.

Mr. Kaneko spent his early career in distressed debt investment at Lone Star Group. Tomonori holds a Bachelor of Science in Bioengineering from the University of California, Berkeley, and a Master's degree in Bioscience from the University of Tokyo.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.83	0.36	1.04	0.90	0.20	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.83	0.36	1.04	0.90	0.20	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2015	28.0	11-2017	16.0	4-2019	11.7	—	—
Worst	2-2019	-10.4	12-2018	4.0	7-2019	9.0	—	—
Average		10.3		10.7		9.9		—
No. of Periods		54		30		6		—
Pct. Positive		74.1		100.0		100.0		—

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

### Commentary as at June 30, 2019

Japanese equity markets posted solid gains in the first half of 2019, recovering from declines in the fourth quarter of 2018, when valuations hit one of their lowest levels since 2012. Japanese equities benefited from the U.S. Federal Reserve's (the "Fed") decision to suspend interest-rate hikes amid signs of slowing global economic growth. In Japan, U.S.-China trade tensions weighed on business activity and slowing Chinese demand hurt exports from other Asian countries. Industrial production remained weak due to an extended slump in production of equipment used to make semiconductors and display panels for electronic devices.

The portfolio's returns were bolstered by stock selection in the Communication Services and Health Care sectors. Softbank Group, which operates telecommunications networks and manages a technology investment fund, rallied on the back of a recovery in assets including Alibaba and Sprint. Elsewhere, a holding in the pharmaceutical Daiichi Sankyo performed strongly on the heels of an improved revenue outlook owing to positive clinical-trial results in one of its

main experimental treatments.

The Fund initiated a position in Informart, a provider of business-to-business e-commerce to the food industry. The sub-advisor is attracted to the company's ability to streamline transaction-processing and a potentially large untapped market.

While the Bank of Japan (the "BOJ") kept monetary policy largely steady during the period, BOJ Governor Kuroda signaled a readiness to ramp up stimulus in response to risks that could derail Japan's goal of achieving 2% inflation.

The sub-advisor continues to believe that the earnings capability of Japanese companies has improved significantly in recent years, driven by improved corporate governance and a bigger focus on a more efficient use of capital. As an example, many Japanese companies are now stressing stock repurchases, boosting earnings-per-share growth and returns on equity during a period when investment returns are muted.



# RBC Japanese Equity Fund

## Disclosure

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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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