



RBC Emerging Markets Small-Cap Equity Fund

Investment Objective

To provide long-term total capital growth. The fund invests primarily in equity securities of small-cap companies located or active in emerging markets.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF485
Adv	Deferred Sales	CAD	RBF885
Adv	Front End	CAD	RBF715
Adv	Low Load	CAD	RBF085

Inception Date	August 2013
Total Fund Assets \$Mil	582.5
Series A NAV \$	13.11
Series A MER %	2.20
Benchmark	MSCI Emerging Markets Small-Cap Total Return Net Index (\$C)

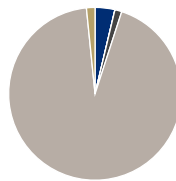
Income Distribution	Annually
Capital Gains Distribution	Annually

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

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

Portfolio Analysis as of July 31, 2019

Asset Mix

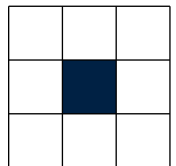


	% Assets
Cash	3.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	1.3
International Equity	93.4
Other	1.6

Top 10 Holdings

	% Assets
Century Pacific Food Inc	4.0
Bajaj Holdings and Investment Ltd	3.8
Cyient Ltd	3.8
AVI Ltd	3.6
Marico Ltd	3.3
Chroma Ate Inc	3.1
Aramex PJSC	3.1
Inversiones La Construccion SA	3.1
Aeon Thana Sinsap (Thailand) PCL DR	2.9
Sundaram Finance Ltd	2.8
Total % of Top 10 Holdings	33.5
Total Number of Stock Holdings	55
Total Number of Bond Holdings	0
Total Number of Other Holdings	3
Total Number of Holdings	58

Equity Style



Value Blend Growth

Equity Statistics

P/B Ratio	1.7
P/E Ratio	13.9
Avg. Mkt Cap. \$B	1.8

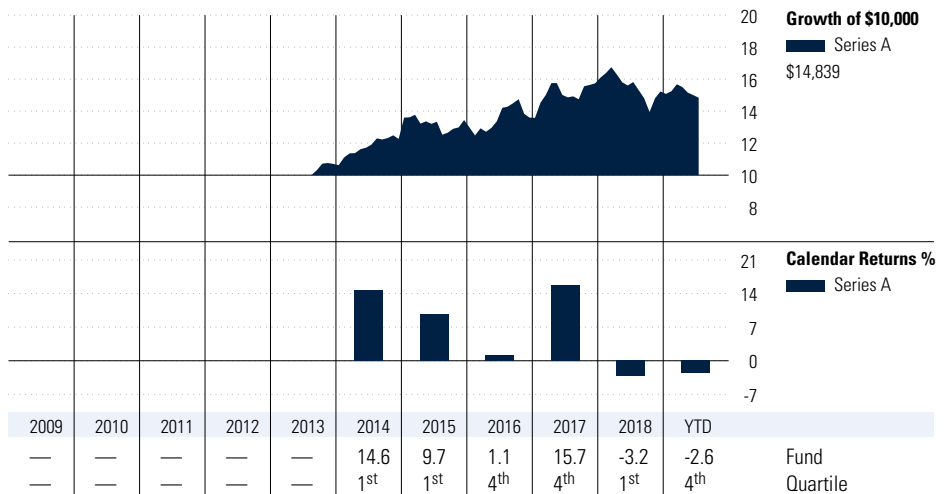
Top 5 Sectors

	% Equity
Financials	28.7
Consumer Staples	18.6
Information Technology	14.6
Consumer Discretionary	12.5
Industrials	8.4

Geographic Allocations

	% Assets
India	18.8
Taiwan	12.2
China	8.7
Brazil	7.1
Chile	7.1

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 %
Fund	-1.1	-4.3	-1.6	-6.2	1.5	4.5	—	5.9	Fund
Quartile	3rd	3rd	4th	4th	4th	3rd	—	—	Quartile
No. of Funds in Category	326	305	301	258	197	139	60	—	No. of Funds in Category



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Management Overview

Manager Bios

Philippe Langham

RBC Global Asset Management (UK) Limited

Philippe is Head of Emerging Markets Equities & Senior Portfolio Manager. He has worked in the investment industry since 1992 and joined the firm in 2009 to establish and lead the team that manages the emerging markets equity strategies. Prior to RBC, Philippe was Head of Global Emerging Markets with Société Générale Asset Management S.A. Philippe holds a Bachelor's degree in Economics from the University of Manchester and is a qualified Chartered Accountant.

Performance Analysis Cont'd as of July 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.25	0.20	0.09	0.25	0.10	—	—	—	—	—
Interest	—	0.05	0.12	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.21	0.09	0.09	0.25	0.10	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	1-2015	28.0	8-2016	12.6	8-2018	8.9	—	—
Worst	10-2018	-10.3	7-2019	1.5	7-2019	4.5	—	—
Average		6.9		7.3		6.5		—
No. of Periods		60		36		12		—
Pct. Positive		75.0		100.0		100.0		—

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

Commentary as at June 30, 2019

Emerging-market equities posted gains during the first half of 2019, although they underperformed developed markets. The year began on a positive tone as emerging-market stocks recovered in January from declines in late 2018. That was followed by several flat months as earnings estimates fell, notably in the technology sectors, after disappointing results for hardware and software companies. A breakdown in trade talks between China and the U.S. in May led to renewed pressure on emerging-market equities given that many emerging markets are dependent on Chinese manufacturers for a significant share of their trade.

The Fund's returns were negatively affected overall by stock selection and sector allocation. Performance was held back by exposure to Sri Lanka, which experienced a major terrorist attack during the period, while stocks from South Korea and India had a positive effect. At the sector level, the Fund benefited from stock selection in the Real Estate sector, offset by weak stock selection in Materials and Information Technology.

Individual stocks that aided performance included China Overseas, a property-management firm that posted faster-than-expected growth, and Bajaj Holdings, an Indian financial company. Among holdings that had a negative impact on the Fund's returns was Hatton National Bank, which declined in line with Sri Lanka's equity market and financial sector following the Easter Day terrorist attack in April.

There are a couple of reasons to be cautiously optimistic about emerging-market equities. One is attractive valuations. Another reason to be positive is that emerging-market currencies look cheap at the moment, an important consideration because currency and equity markets in emerging markets tend to move in the same direction. In the longer term, the big question is: where we are in the economic cycle that started when emerging-market equities bottomed at the beginning of 2016.



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Disclosure

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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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