



# RBC U.S. Mid-Cap Value Equity Fund

## Investment Objective

To provide long-term capital growth. The fund invests primarily in equity securities of U.S. mid-cap companies that are deemed to be undervalued in order to provide broad exposure to economic growth opportunities in the equity markets.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF492
A	No Load	USD	RBF542
Adv	Deferred Sales	CAD	RBF892
Adv	Front End	CAD	RBF792
Adv	Front End	USD	RBF6542
Adv	Low Load	CAD	RBF092
Adv	Low Load	USD	RBF4542

Inception Date	January 2012
Total Fund Assets \$Mil	675.9
Series A NAV \$	11.53
Series A MER %	2.03
Benchmark	Russell Midcap Value Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	US Small/Mid Cap Equity
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Management Company	RBC Global Asset Management Inc.
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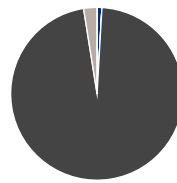
Web Site	www.rbcgam.com
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## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF492).

## Portfolio Analysis as of August 31, 2019

### Asset Mix

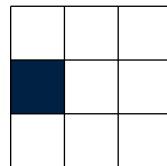


	% Assets
Cash	0.9
Fixed Income	0.0
Canadian Equity	0.0
US Equity	96.5
International Equity	2.5
Other	0.0

### Top 10 Holdings

	% Assets
VICI Properties Inc Ordinary Shares	2.9
Fidelity National Financial Inc	2.7
Vistra Energy Corp	2.6
Post Holdings Inc	2.6
Laboratory Corp of America Holdings	2.6
Zebra Technologies Corp	2.5
Popular Inc	2.5
Arcosa Inc	2.4
Owens-Corning Inc	2.4
Kansas City Southern	2.4
Total % of Top 10 Holdings	25.8
Total Number of Stock Holdings	64
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>65</b>

### Equity Style



Value Blend Growth

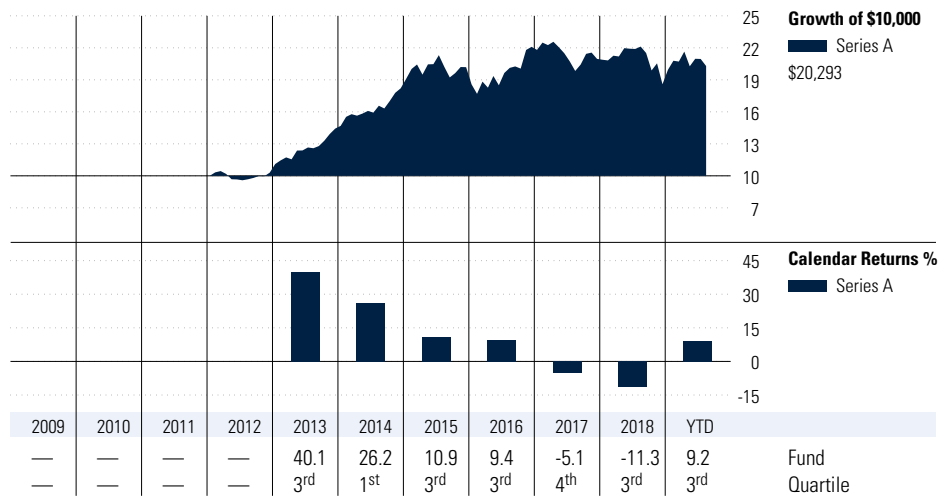
### Equity Statistics

P/B Ratio	1.6
P/E Ratio	14.2
Avg. Mkt Cap. \$B	10.5

### Global Equity Sectors

	% Equity
Industrials	17.8
Real Estate	17.6
Financials	17.0
Utilities	10.2
Materials	10.1
Health Care	7.3
Consumer Discretionary	6.7
Information Technology	3.7
Energy	3.4
Consumer Staples	3.3
Communication Services	2.9
Unclassified	0.0

## Performance Analysis as of August 31, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
	-3.2	0.1	-2.4	-8.2	0.3	4.1	—	9.8	Fund
	3 <sup>rd</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	—	—	Quartile
	333	324	322	317	253	154	71	—	No. of Funds in Category



# RBC U.S. Mid-Cap Value Equity Fund

## Management Overview

### Manager Bios

**Robert A. Henderson**

**RBC Global Asset Management (U.S.) Inc.**

Rob is the lead Portfolio Manager for our Mid Cap Value strategy and serves as Research Analyst for our Small Cap Core and Small Cap Value strategies. Rob began his career in the investment industry in 1991 and prior to joining the firm, he was a portfolio manager, equity analyst and partner at Rutabaga Capital Management. Rob earned a BA from Harvard College and an MBA from Stanford University.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	—	0.81	0.18	1.56	3.87	1.26	0.08	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	0.81	0.18	1.56	3.87	1.26	0.08	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	40.1	7-2015	30.5	5-2017	17.9	—	—
Worst	2-2016	-11.7	12-2018	-2.7	8-2019	4.1	—	—
Average		12.5		12.7		12.1		
No. of Periods		80		56		32		
Pct. Positive		67.5		98.2		100.0		

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

### Commentary as at June 30, 2019

U.S. equities recovered in the first half of 2019 following significant global stock declines in late 2018. Stocks advanced for much of the period on expectations that the U.S. Federal Reserve would stimulate economic growth by lowering short-term interest rates amid signs that the expansion was starting to lose momentum. Protectionist measures by the U.S. and China were another source of concern for investors, as a breakdown in trade talks between the countries stoked worries that global trade would be inhibited.

Favourable stock selection within the Information Technology, Consumer Discretionary and Financials sectors had a positive impact on the Fund's performance, offset by the negative impact of stock selection in the Materials and Utilities sectors. In terms of sector allocation, the portfolio's underweight position in the relatively strong-performing Information Technology sector held back returns.

Individual stocks that contributed to returns included Cypress Semiconductors, Euronet Worldwide and Arcosa, while Mosaic Co. and Marathon Petroleum were among the stocks that had a negative impact on performance.

A lack of progress on resolving the U.S.-China trade conflict continues to be the primary near-term threat to U.S. economic growth, and the sub-advisor has therefore been making more investments that tend to be less sensitive to the pace of economic growth. The sub-advisor believes any significant progress on the trade front has the potential to significantly boost equity markets further, especially in the more economically sensitive sectors that would be supported by expectations of continued economic growth.



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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.

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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