



RBC U.S. Small-Cap Core Equity Fund

Investment Objective

To provide long-term capital growth. The Fund invests primarily in equity securities of U.S. small-cap companies 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	RBF493
A	No Load	USD	RBF543
Adv	Deferred Sales	CAD	RBF893
Adv	Front End	CAD	RBF793
Adv	Front End	USD	RBF6543
Adv	Low Load	CAD	RBF093
Adv	Low Load	USD	RBF4543

Inception Date	January 2012
Total Fund Assets \$Mil	127.9
Series A NAV \$	17.01
Series A MER %	2.05
Benchmark	Russell 2000 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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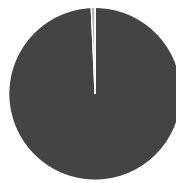
Web Site	www.rbcgam.com
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Notes

Performance Analysis is in CAD and for CAD series A fund (RBF493).

Portfolio Analysis as of August 31, 2019

Asset Mix

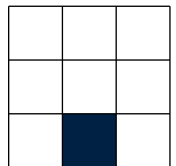


	% Assets
Cash	0.0
Fixed Income	0.0
Canadian Equity	0.0
US Equity	99.2
International Equity	0.7
Other	0.0

Top 10 Holdings

	% Assets
Compass Diversified Holdings	5.1
Columbus McKinnon Corp	4.3
Patrick Industries Inc	4.1
ACCO Brands Corp	3.6
Grand Canyon Education Inc	3.5
Ducommun Inc	3.1
AMERISAFE Inc	3.0
Globus Medical Inc Class A	2.7
Universal Electronics Inc	2.5
Astronics Corp	2.4
Total % of Top 10 Holdings	34.4
Total Number of Stock Holdings	70
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	71

Equity Style



Value Blend Growth

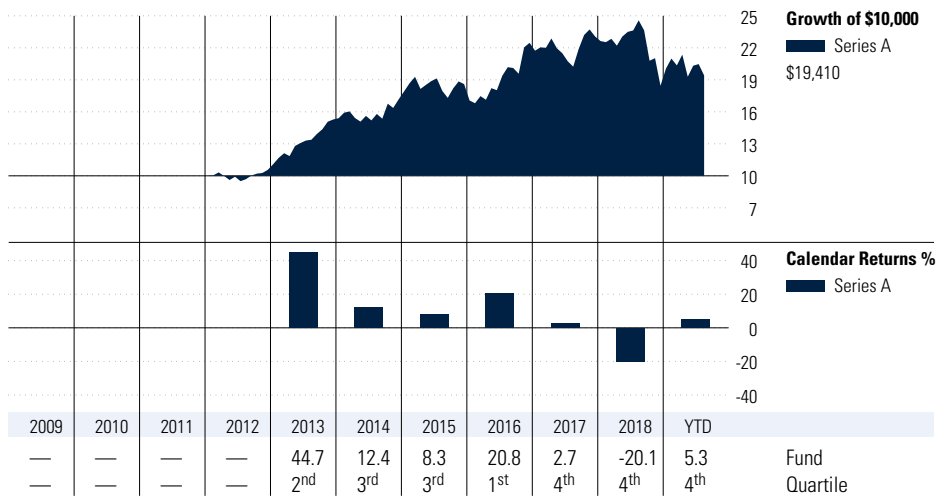
Equity Statistics

P/B Ratio	1.6
P/E Ratio	13.9
Avg. Mkt Cap. \$B	2.0

Global Equity Sectors

	% Equity
Industrials	26.0
Financials	18.2
Consumer Discretionary	17.9
Information Technology	11.0
Health Care	8.5
Communication Services	5.9
Real Estate	3.4
Materials	3.2
Energy	2.5
Utilities	1.9
Consumer Staples	1.6
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 %
Fund	-5.2	0.6	-7.5	-21.0	-1.3	4.2	—	9.1	Fund
Quartile	4 th	3 rd	4 th	4 th	4 th	4 th	—	—	Quartile
No. of Funds in Category	333	324	322	317	253	154	71	—	No. of Funds in Category



RBC U.S. Small-Cap Core Equity Fund

Management Overview

Manager Bios

Lance F. James

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

Lance F. James is Managing Director and Senior Portfolio Manager. He has been in the investment industry since 1980.

Performance Analysis Cont'd as of August 31, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.79	0.50	—	—	0.27	0.11	0.35	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	0.79	0.50	—	—	0.27	0.11	0.35	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2013	46.9	7-2015	26.3	11-2017	18.2	—	—
Worst	8-2019	-21.0	8-2019	-1.3	12-2018	3.8	—	—
Average		12.5		12.6		12.5		—
No. of Periods		80		56		32		—
Pct. Positive		77.5		96.4		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 on signs that the global economy 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.

The Fund's performance was held back by stock selection and sector-allocation decisions. Unfavorable stock selection was concentrated in the Health Care, Consumer Discretionary and Materials sectors, offset partially by favourable stock selection in the Financials sector. In terms of sector allocation, the portfolio's underweight position in the relatively strong-performing Information Technology sector weighed on returns.

Individual stocks that had a negative impact on returns included Greenbrier Cos. and Stamps.com, while Compass Diversified, Patrick Industries and Columbus McKinnon contributed to returns.

Recent Developments

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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