



# RBC U.S. Equity Currency Neutral Fund

## Investment Objective

To provide long-term capital growth by investing primarily in U.S. equity investments and common stock equivalents, while minimizing the exposure to currency fluctuations between the U.S. and Canadian dollars.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF588
Adv	Deferred Sales	CAD	RBF859
Adv	Front End	CAD	RBF768
Adv	Low Load	CAD	RBF133

Inception Date	January 2006
Total Fund Assets \$Mil	40.1
Series A NAV \$	15.48
Series A MER %	1.94
Benchmark	S&P 500 Total Return Index (US\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

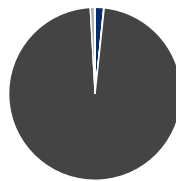
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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

## Portfolio Analysis as of August 31, 2019

### Asset Mix



	% Assets
Cash	1.6
Fixed Income	0.0
Canadian Equity	0.1
US Equity	97.4
International Equity	0.8
Other	0.1

### Top 10 Holdings

	% Assets
Microsoft Corp	4.5
Apple Inc	4.0
Alphabet Inc A	3.2
Amazon.com Inc	3.0
Verizon Communications Inc	2.1
Johnson & Johnson	1.9
Visa Inc Class A	1.9
Facebook Inc A	1.7
AT&T Inc	1.6
JPMorgan Chase & Co	1.6
Total % of Top 10 Holdings	25.5
Total Number of Stock Holdings	505
Total Number of Bond Holdings	0
Total Number of Other Holdings	7
<b>Total Number of Holdings</b>	<b>512</b>

### Equity Style



Value Blend Growth

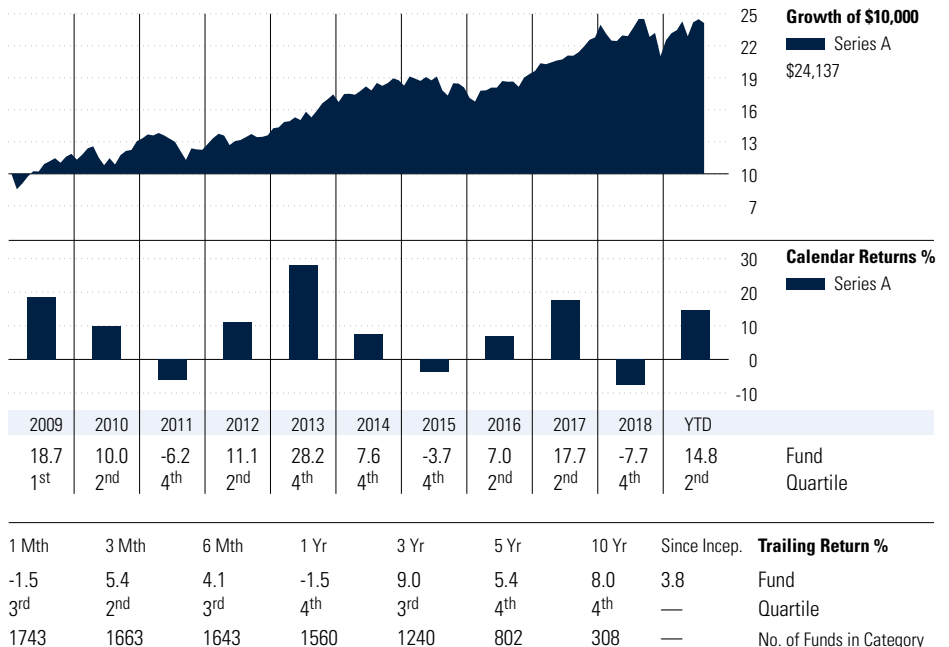
### Equity Statistics

P/B Ratio	3.2
P/E Ratio	18.6
Avg. Mkt Cap. \$B	173.9

### Global Equity Sectors

	% Equity
Information Technology	22.9
Health Care	13.8
Communication Services	12.7
Financials	12.7
Consumer Discretionary	9.5
Industrials	9.0
Consumer Staples	7.7
Real Estate	3.9
Energy	3.7
Utilities	3.6
Materials	0.5
Unclassified	0.0

## Performance Analysis as of August 31, 2019





# RBC U.S. Equity Currency Neutral Fund

## Management Overview

### Manager Bios

#### Brad Willock

#### RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

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

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

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	38.1	9-2014	17.3	2-2014	15.4	2-2019	10.5
Worst	2-2009	-45.3	2-2009	-16.6	5-2012	-5.6	2-2016	1.3
Average		5.0		4.6		5.8		4.6
No. of Periods		152		128		104		44
Pct. Positive		71.1		74.2		71.2		100.0

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

### Commentary as at June 30, 2019

U.S. equity markets rallied in the first half of 2019, largely as a result of optimism that the U.S. Federal Reserve would lower short-term interest rates, perhaps as early as July, and growing optimism that a trade agreement between the U.S. and China would be reached. The S&P 500 Index had faced heightened volatility during May as trade negotiations between the U.S. and China appeared to fall apart, but the volatility subsided after U.S. President Trump and Chinese President Xi indicated that they would work toward a resolution.

The Fund's relative performance was aided by security selection in the Industrials and Consumer Staples sectors. An overweight position in Progressive Corp. contributed to returns after the insurer reported strong earnings due to solid results in its personal and commercial auto businesses.

Security selection in the Health Care sector held back returns. The Fund's overweight position in CVS Health had a negative impact on performance

after the health-services provider and pharmacy chain reported higher-than-expected costs and issues related to its Omnicare unit.

Portfolio turnover can be high for the Fund, as the portfolio manager attempts to generate better returns through active security and sector selection.

Stocks are likely to rise modestly over the next year, in the view of the portfolio manager, but there are several scenarios that could lead to a different outcome. Stock gains may be more robust if the economic expansion lasts through 2021, which would likely depend on interest-rate cuts by the U.S. Federal Reserve, the resolution of the U.S.-China trade dispute and a re-accelerating Chinese economy. Alternatively, global growth would continue to slow if the trade rift widens, corporate earnings continue to fall and rising geopolitical risks cause investors to reduce valuations for equities and other risky assets.



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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.

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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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