

PH&N U.S. Growth Fund

Investment Objective

To achieve significant long-term capital growth by investing primarily in a well-diversified portfolio of North American common stocks.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7260
Adv	Front End	CAD	RBF6260
Adv	Low Load	CAD	RBF4260

Inception Date	November 2008
Total Fund Assets \$Mil	119.5
Series A NAV \$	29.10
Series A MER %	1.84
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

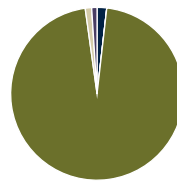
Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

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

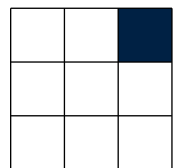


	% Assets
Cash	1.8
Fixed Income	0.0
Canadian Equity	0.0
US Equity	96.0
International Equity	1.2
Other	1.0

Top 10 Holdings

	% Assets
Microsoft Corp	5.2
Amazon.com Inc	3.7
Apple Inc	3.6
Alphabet Inc Class C	3.5
Facebook Inc A	2.5
Berkshire Hathaway Inc B	2.2
JPMorgan Chase & Co	2.0
Visa Inc Class A	1.9
Johnson & Johnson	1.8
Exxon Mobil Corp	1.7
Total % of Top 10 Holdings	27.9
Total Number of Stock Holdings	142
Total Number of Bond Holdings	0
Total Number of Other Holdings	2
Total Number of Holdings	144

Equity Style



Value Blend Growth

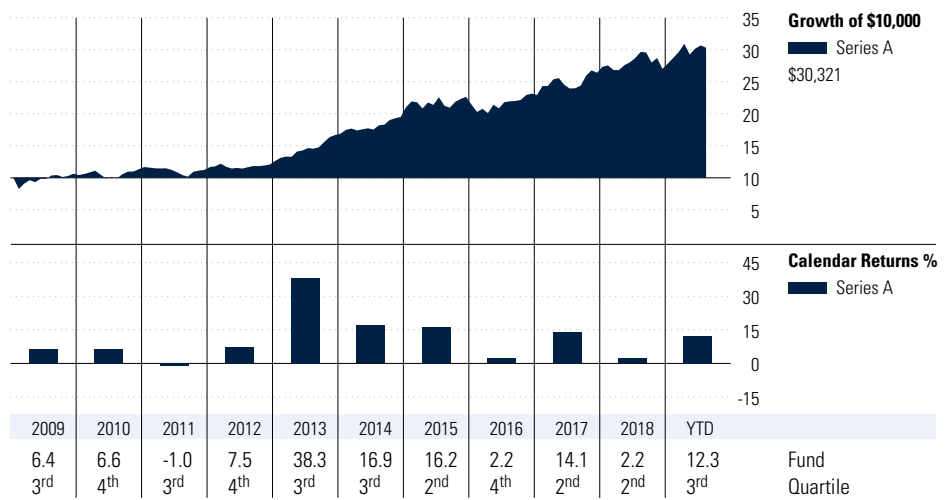
Equity Statistics

P/B Ratio	3.2
P/E Ratio	19.6
Avg. Mkt Cap. \$B	182.5

Global Equity Sectors

	% Equity
Information Technology	24.3
Financials	14.2
Health Care	13.9
Communication Services	11.3
Consumer Discretionary	8.8
Industrials	8.8
Consumer Staples	7.5
Energy	4.6
Utilities	2.7
Real Estate	2.2
Materials	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 %
	-1.2	3.6	5.4	2.2	11.4	10.7	11.3	11.0	Fund
	3 rd	4 th	3 rd	3 rd	2 nd	3 rd	4 th	—	Quartile
	1743	1663	1643	1560	1240	802	308	—	No. of Funds in Category

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Management Overview

Manager Bios

Rob Cavallo

RBC Global Asset Management Inc.

Rob is a Portfolio Manager with the North American equities team. Rob joined the firm in 2012 as a Global equities analyst with a focus on analyzing companies within the Health Care and Consumer sectors. Rob earned a Bachelor of Commerce degree at the University of Toronto and is a CFA charterholder.

Marcello Montanari

RBC Global Asset Management Inc.

Marcello Montanari is Vice President and Senior Portfolio Manager, North American Equities. Marcello began his career in the investment industry in 1992. He earned a Bachelor of Commerce degree in finance from Concordia University 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	—	—	—	0.08	—	—	—	—	—	—	0.07
Interest	—	—	—	0.08	—	—	—	—	—	—	0.07
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2013	38.3	7-2015	25.5	11-2017	17.6	2-2019	13.3
Worst	2-2016	-7.5	12-2011	3.9	12-2018	10.1	12-2018	10.4
Average		12.4		13.1		14.2		12.0
No. of Periods		118		94		70		10
Pct. Positive		89.8		100.0		100.0		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 confidence 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 Health Care sector. An overweight position in Advanced Micro Devices also boosted relative performance. The chipmaker's shares benefited from a plan to manufacture gaming chips for Google's streaming service and optimism about new products.

Security selection in the Communication Services sector contributed to overall performance. However, the Fund's overweight position in

Alphabet held back returns after the company reported first-quarter revenue that was lower than expectations, prompting fears that internet advertisers were starting to shift spending to competitors. In the portfolio manager's view, Alphabet continues to have the potential for continued ad growth in its search business, Google, and YouTube video platform.

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 U.S.-China dispute escalates, 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

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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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