



# RBC Select Conservative Portfolio

## Investment Objective

To provide income and the potential for moderate capital growth by investing primarily in funds managed by RBC GAM, emphasizing mutual funds that invest in Canadian fixed-income securities and have the potential to generate income. The portfolio maintains a balance of investments across several asset classes.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF461
A	No Load	USD	RBF516
Adv	Deferred Sales	CAD	RBF840
Adv	Front End	CAD	RBF740
Adv	Low Load	CAD	RBF100
Adv	Low Load	USD	RBF4516
T5	No Load	CAD	RBF545

Inception Date	December 1986
Total Fund Assets \$Mil	31,242.9
Series A NAV \$	21.88
Series A MER %	1.84
Benchmark	63% FTSE Canada Universe Bond Index 15% S&P/TSX Capped Composite Total Return Index 10% S&P 500 Total Return Index (CAD) 10% MSCI EAFE Total Return Net Index (CAD) 2% FTSE Canada 30 Day TBill Index

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

Fund Category	Global Fixed Income Balanced
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Management Company	RBC Global Asset Management Inc.
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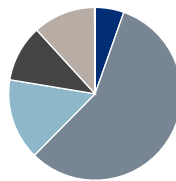
Web Site	www.rbcgam.com
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## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF461).

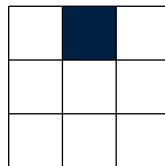
## Portfolio Analysis as of June 30, 2019

### Asset Mix



	% Assets
Cash	5.4
Fixed Income	57.0
Canadian Equity	15.2
US Equity	10.6
International Equity	11.7
Other	0.1

### Equity Style



Value Blend Growth

### Statistics

P/B Ratio	2.2
P/E Ratio	16.1
Avg. Mkt Cap. \$B	49.7

### Top 5 Sectors

	% Equity
Financials	24.9
Industrials	12.2
Information Technology	10.1
Energy	10.1
Consumer Staples	9.0

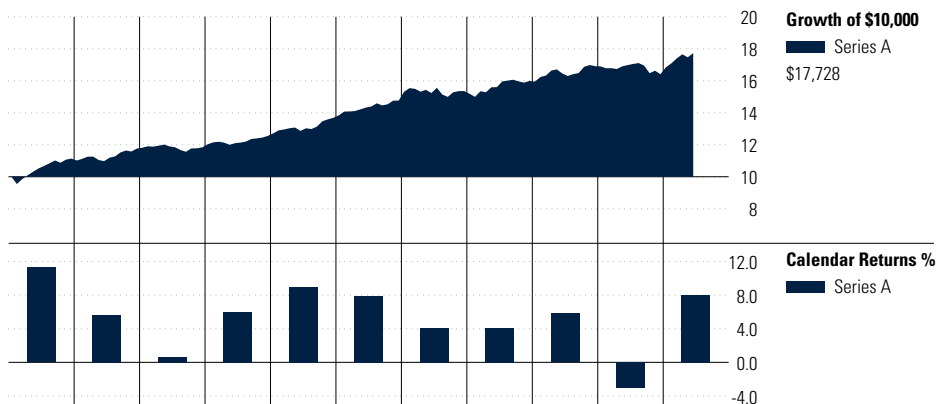
### Fixed Income Breakdown

	% Fixed Income
Government Bonds	46.0
Corporate Bonds	41.6
Other Bonds	2.8
Mortgage Backed Securities	0.2
ST Investments (Cash & Other)	8.5
Asset Backed Securities	0.8

### Top 25 Holdings

	% Assets
RBC Bond Fund O	16.1
PH&N Total Return Bond Fund O	9.3
RBC Canadian Short-Term Income Fund O	8.4
RBC European Equity Fund O	7.8
RBC Global Corporate Bond Fund O	7.8
RBC Global Bond Fund O	7.1
RBC Canadian Dividend Fund O	4.9
PH&N US Multi-Style All-Cap Equity Fd O	4.8
PH&N Conservative Equity Income Fund O	4.3
RBC Private Canadian Equity Pool O	3.8
RBC Global High Yield Bond Fund O	3.3
BlueBay Glb Inv Grade Corp Bd (Can) O	2.5
PH&N Short Term Bond & Mortgage Fund O	2.4
RBC QUBE U.S. Equity Fund O	2.1
RBC U.S. Dividend Fund O	2.1
RBC Asia Pacific ex-Japan Equity O	2.1
BlueBay Glb Sovereign Bond (Can) O	1.8
PH&N Canadian Equity Underlying II O	1.7
PH&N Canadian Equity Underlying O	1.5
BlueBay European High Yield Bd (Can) O	1.3
RBC Japanese Equity Fund O	1.3
RBC Global Equity Fund O	1.2
RBC U.S. Equity Fund O	1.0
Mini Msci Eafe Index Future 20-09-2019	0.1
PH&N Bond Fund O	0.1
<b>Total % of Top 25 Holdings</b>	<b>98.8</b>
<b>Total Number of Portfolio Holdings</b>	<b>28</b>
<b>Total Number of Stock Holdings</b>	<b>1,271</b>
<b>Total Number of Bond Holdings</b>	<b>10,262</b>
<b>Total Number of Other Holdings</b>	<b>235</b>
<b>Total Number of Underlying Holdings</b>	<b>11,768</b>

## Performance Analysis as of June 30, 2019



Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD	Fund Quartile
Return %	11.3	5.6	0.6	6.0	9.0	7.9	4.1	4.1	5.8	-3.0	8.0	2nd
Rank	4th	4th	3rd	3rd	2nd	2nd	2nd	2nd	1st	3rd	1st	

Period	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Return %	1.5	1.9	8.0	4.4	4.4	4.4	5.4	6.1	Fund
Rank	2nd	2nd	1st	2nd	2nd	2nd	3rd	—	Quartile
No. of Funds in Category	798	796	767	728	488	253	114	—	



# RBC Select Conservative Portfolio

## Management Overview

### Manager Bios

#### Sarah Riopelle

#### RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charterholder.

### Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.06	0.56	0.32	0.56	0.96	1.14	0.44	0.35	0.35	0.39	0.30
Interest	0.06	0.14	0.10	0.11	0.13	0.09	0.13	0.14	0.14	0.17	0.22
Dividends	—	0.09	0.08	0.09	0.10	0.07	0.09	0.08	0.06	0.09	0.07
Capital Gains	—	0.34	0.15	0.35	0.74	0.98	0.22	0.13	0.15	0.14	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	7-1997	21.6	1-1998	13.8	8-2000	10.3	1-2005	7.7
Worst	2-2009	-13.7	2-2009	-2.6	2-2009	0.9	8-2010	3.3
Average		5.7		5.6		5.3		5.0
No. of Periods		289		265		241		181
Pct. Positive		85.5		95.5		100.0		100.0

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

### Commentary as at June 30, 2019

The economic backdrop continued to deteriorate during the first half of 2019 as weaker growth in Europe and emerging markets offset a solid expansion in North America. In Europe, Italy faced demands to get a handle on its debt and budget deficit, and President Trump ramped up pressure on Iran, pursued an aggressive stance on trade toward China and threatened to impose tariffs on Mexico. The U.S. Federal Reserve acknowledged these threats to the outlook with a willingness to lower short-term interest rates in support of growth.

Government-bond prices rose as investors sought safe-haven assets in reaction to the macroeconomic uncertainty. The yield on the U.S. 10-year government bond fell to the lowest level since 2017 and a full percentage point below its 2018 high. In Japan and Germany, 10-year government-bond yields fell further into negative territory and the 10-year German-bund yield reached a record low.

Equities rebounded in all regions after significant

declines toward the end of 2018 lowered valuations to attractive levels and the weaker global expansion prompted speculation that the major central banks would provide more monetary stimulus, lending further support to valuations. The gains restored the S&P 500 Index to levels near all-time highs.

In the view of the portfolio manager, the risk of fixed-income losses is elevated in all regions. While bonds may deliver low or even negative total returns, stocks can generate single-digit to low-double-digit gains in an environment of moderate growth, low interest rates and low inflation. The near-term challenge for stocks is the fact that earnings growth has stalled as declining profit margins have offset stronger revenue growth. The portfolio manager continues to overweight stocks but recently shifted half a percentage point from the equity allocation into cash, moving further along the path of de-risking portfolios as the business cycle matures.



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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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