



RBC Canadian Small & Mid-Cap Resources Fund

Investment Objective

The fund invests primarily in small- and mid-cap equity securities of companies listed on an exchange in Canada within the Energy and Materials sector. The fund may invest no more than 10% of its assets in foreign securities.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF527

Inception Date	February 2015
Total Fund Assets \$Mil	211.8
Series A NAV \$	5.41
Series A MER %	2.03
Benchmark	S&P/TSX SmallCap Index (CAD)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

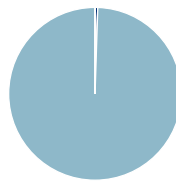
Fund Category	Natural Resources Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of June 30, 2019

Asset Mix

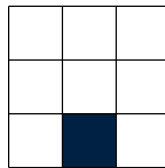


	% Assets
Cash	0.5
Fixed Income	0.0
Canadian Equity	99.5
US Equity	0.0
International Equity	0.0
Other	0.0

Top 25 Holdings

	% Assets
Parex Resources Inc	9.1
Lundin Mining Corp	7.4
Methanex Corp	6.8
Tourmaline Oil Corp	6.2
West Fraser Timber Co.Ltd	5.1
Vermilion Energy Inc	4.8
Enerplus Corp	4.7
Ivanhoe Mines Ltd A	4.1
Crescent Point Energy Corp	3.6
Labrador Iron Ore Royalty Corp	3.2
Enerflex Ltd	3.1
Hudbay Minerals Inc	3.1
Stella-Jones Inc	2.8
PrairieSky Royalty Ltd	2.8
Pason Systems Inc	2.5
Intertape Polymer Group Inc	2.4
MEG Energy Corp	2.2
Interfor Corp	2.1
Seven Generations Energy Ltd	2.0
Secure Energy Services Inc	2.0
Norbord Inc	2.0
Whitecap Resources Inc	1.8
Kelt Exploration Ltd	1.8
Turquoise Hill Resources Ltd	1.8
ARC Resources Ltd	1.7
Total % of Top 25 Holdings	89.2
Total Number of Stock Holdings	36
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
Total Number of Holdings	37

Equity Style



Value Blend Growth

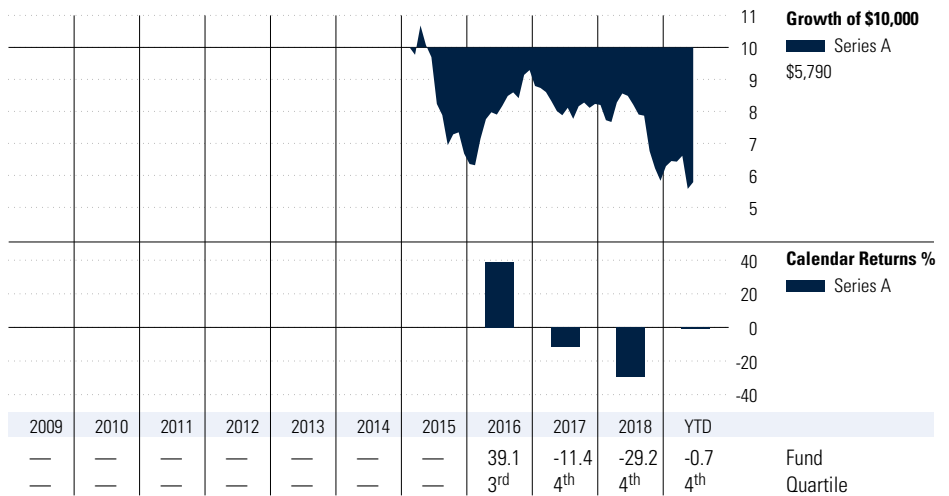
Equity Statistics

P/B Ratio	0.9
P/E Ratio	12.3
Avg. Mkt Cap. \$B	2.5

Global Equity Sectors

	% Equity
Energy	53.7
Materials	45.8
Industrials	0.5
Consumer Discretionary	0.0
Consumer Staples	0.0
Health Care	0.0
Financials	0.0
Information Technology	0.0
Communication Services	0.0
Utilities	0.0
Real Estate	0.0
Unclassified	0.0

Performance Analysis as of June 30, 2019



	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
Fund	3.8	-10.0	-0.7	-31.8	-9.8	—	—	-12.8	Fund
Quartile	4 th	4 th	4 th	4 th	4 th	—	—	—	Quartile
No. of Funds in Category	161	161	161	157	126	95	56	—	No. of Funds in Category



RBC Canadian Small & Mid-Cap Resources Fund

Management Overview

Manager Bios

Chris Beer

RBC Global Asset Management Inc.

Chris Beer is Vice President and Senior Portfolio Manager, Canadian and Global Equities. He has been in the investment industry since 1993.

Brahm Spilfogel

RBC Global Asset Management Inc.

Brahm Spilfogel is Vice President and Senior Portfolio Manager, Global Equities. He has been in the investment industry since 1991.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.02	—	—	0.07	—	—	—	—	—	—
Interest	—	0.00	—	—	0.00	—	—	—	—	—	—
Dividends	—	0.02	—	—	0.06	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	12-2016	39.1	9-2018	4.2	—	—	—	—
Worst	2-2016	-36.8	5-2019	-11.2	—	—	—	—
Average		-4.5		-4.0				
No. of Periods		41		17				
Pct. Positive		34.1		17.6				

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

Commentary as at June 30, 2019

Prices for natural resources were mixed during the period, with gold, iron ore and oil gaining, while some industrial metals and U.S.-produced natural gas declined. The Fund's returns were bolstered by holdings in both the Materials and Energy sectors.

Gold prices rose to their highest level in six years during the first half of 2019, and ended about 10% higher for the period. Iron-ore prices soared more than 50% after the January collapse of a dam at a major Brazilian deposit killed more than 200 people and removed about 4% of the global supply of iron ore. Investments in Champion Iron and Labrador Iron Ore were positive for relative performance. Holding back returns were underweight exposure to Stella Jones and Winpak.

Energy equities had high-single-digit returns in the first half of 2019 after a decision late last year by The Organization of the Petroleum Exporting Countries ("OPEC") to cut oil production helped put a floor beneath prices. U.S. natural-gas prices

plunged, closing near US\$2.30 per million British thermal units amid excess supplies. Returns were aided by exposure to Parex Resources, which released robust exploration well results, and underweight positions in ARC Resources and Peyto Exploration. Stocks were held back by a lack of relative exposure to Crescent Point Energy, Prairie Sky Royalty and Shawcor.

Iron ore is trading at elevated levels, and the likelihood of increased production in China or by other large producers is high. The portfolio manager therefore expects iron-ore prices to fall over the next six to 12 months. Precious metal equities are poised to benefit from any weakness in the U.S. economy that could prompt the Federal Reserve to begin easing interest rates. The portfolio manager continues to invest primarily in higher-quality companies with superior assets, disciplined management teams and a focus on free cash flow.



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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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