



# RBC O'Shaughnessy U.S. Value Fund

## Investment Objective

To provide a long-term total return, consisting of capital growth and current income by investing primarily in equity securities of U.S. companies based on Strategy Indexing®, a rigorous and disciplined approach to stock selection based on characteristics associated with above-average returns over long periods of time.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF552
Adv	Front End	CAD	RBF776
Adv	Low Load	CAD	RBF134

Inception Date	November 1997
Total Fund Assets \$Mil	1,273.8
Series A NAV \$	13.48
Series A MER %	1.55
Benchmark	Russell 1000 Value Index (USD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

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

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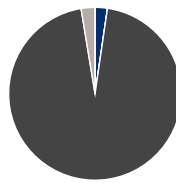
Management Company	RBC Global Asset Management Inc.
Web Site	www.rbcgam.com

## Notes

This is a continuing fund resulting from a merger effective June 27, 2014.

## Portfolio Analysis as of June 30, 2019

### Asset Mix

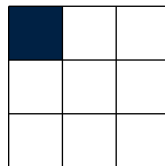


	% Assets
Cash	2.3
Fixed Income	0.0
Canadian Equity	0.0
US Equity	95.1
International Equity	2.6
Other	0.0

### Top 25 Holdings

	% Assets
Citigroup Inc	5.1
MetLife Inc	4.9
Ameriprise Financial Inc	4.8
Yum Brands Inc	4.0
Fifth Third Bancorp	3.5
Union Pacific Corp	3.4
Amgen Inc	3.3
Cisco Systems Inc	3.3
Citrix Systems Inc	3.3
Voya Financial Inc	3.0
Ally Financial Inc	2.6
Juniper Networks Inc	2.6
Cardinal Health Inc	2.5
Spirit AeroSystems Holdings Inc Class A	2.3
eBay Inc	2.3
Phillips 66	2.2
Corning Inc	2.0
Marathon Petroleum Corp	1.9
Regions Financial Corp	1.9
Best Buy Co Inc	1.9
The Kroger Co	1.9
NXP Semiconductors NV	1.8
Dover Corp	1.7
The Western Union Co	1.7
Franklin Resources Inc	1.7
Total % of Top 25 Holdings	69.6
Total Number of Stock Holdings	63
Total Number of Bond Holdings	0
Total Number of Other Holdings	1
<b>Total Number of Holdings</b>	<b>64</b>

### Equity Style



Value Blend Growth

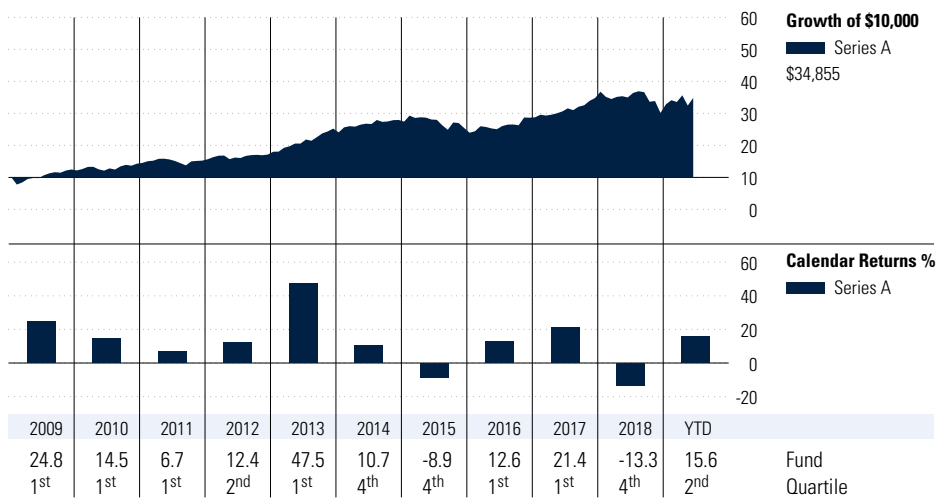
### Equity Statistics

P/B Ratio	2.1
P/E Ratio	12.2
Avg. Mkt Cap. \$B	40.6

### Global Equity Sectors

	% Equity
Financials	30.7
Information Technology	18.9
Industrials	15.6
Consumer Discretionary	12.6
Health Care	7.2
Energy	6.7
Consumer Staples	4.8
Communication Services	2.7
Materials	0.6
Real Estate	0.2
Utilities	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 %
	7.4	3.8	15.6	-0.4	11.6	5.4	13.6	6.4	Fund
	1 <sup>st</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	2 <sup>nd</sup>	—	Quartile
	1881	1867	1836	1738	1200	801	307	—	No. of Funds in Category



# RBC O'Shaughnessy U.S. Value Fund

## Management Overview

### Manager Bios

#### Jim O'Shaughnessy

##### O'Shaughnessy Asset Management

Jim O'Shaughnessy is the Chairman and Co-Chief Investment Officer and Portfolio Manager at O'Shaughnessy Asset Management (OSAM). As founder and Co-Chief Investment Officer of the firm, Jim is ultimately responsible for OSAM's investment strategies. Jim is an equity owner in OSAM and a member of the firm's Executive Committee. Prior to founding OSAM, Jim was the Director of Systematic Equity at Bear Stearns Asset Management and a Senior Managing Director of the firm. Prior to Bear Stearns, he was the CEO and Chairman of O'Shaughnessy Capital Management (Netfolio).

#### Patrick O'Shaughnessy

##### O'Shaughnessy Asset Management

Patrick O'Shaughnessy, CFA, Principal is the Chief Executive Officer at O'Shaughnessy Asset Management (OSAM). Patrick oversees the day-to-day business of the firm, directing OSAM's initiatives in the areas of research and portfolio management, investor education, and investor relationships. He also serves as a Portfolio Manager. Prior to his role as CEO, Patrick spent 11 years on OSAM's Research & Portfolio Management team, working to improve the firm's investment strategies.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	0.05	2.89	1.62	0.21	0.08	1.38	0.09	0.20	0.11	0.09	0.09
Interest	0.05	0.08	0.09	0.21	0.08	0.27	0.09	0.20	0.10	0.09	0.09
Dividends	—	—	0.00	—	—	—	—	—	0.01	—	—
Capital Gains	—	2.81	1.53	—	—	1.11	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	62.4	2-2012	28.1	2-2014	27.0	2-2019	16.0
Worst	2-2009	-52.3	2-2009	-22.4	2-2009	-11.6	2-2009	-1.8
Average		8.2		8.0		7.9		5.4
No. of Periods		248		224		200		140
Pct. Positive		73.0		82.6		74.0		94.3

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

### Commentary as at June 30, 2019

The S&P 500 Index outperformed most other developed equity markets during the first half of 2019, and Canadian equities recorded strong returns during the period as measured by the S&P/TSX Composite Index. Commodity prices, including oil and gold, appreciated during the period, and the Canadian dollar strengthened versus the U.S. dollar.

Overweight exposure to stocks with strong financial strength and discounted valuations hurt returns. Overweight exposure to shareholder yield also had a negative impact on performance. An underweight position in mega-capitalization stocks contributed to performance.

Security selection held back returns during the period, while sector allocation had a positive impact. Overweight positions in the Information Technology and Industrials sectors were positive for performance. An underweight position Health care added to returns, while an underweight allocation to Real Estate had a negative impact.

Security selection in the Financials and Consumer Discretionary sectors added to returns, while having a negative impact in Information Technology and Industrials. Allocations to Amgen, Kroger and Citrix Systems held back returns, while holdings in Ameriprise Financial, Voya Financial, Citigroup and Ally Financial contributed to performance.

It is the policy of the Fund to maintain currency hedges at all times in order to neutralize exchange-rate movements between the U.S. dollar and the Canadian dollar. This policy had a positive effect on returns during the period.

The Fund decreased allocations to the Consumer Staples and Energy sectors during the period and increased allocations to the Health Care and Industrials Sector.

Portfolio turnover was high for the Fund given the sub-advisor's model-driven investment process.



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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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