



# RBC Target 2025 Education Fund

## Investment Objective

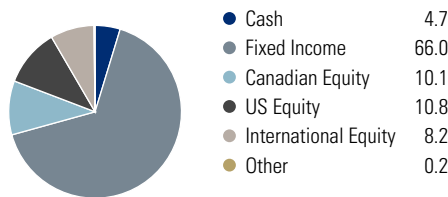
This fund is an asset allocation fund specifically designed to meet the changing needs of investors who are saving money for the purpose of funding a post-secondary education that commences around 2025. The fund gradually shifts its asset mix from an emphasis on equity funds, in its early years, to an emphasis on money market funds as its "target" date (2025) approaches. Over the life of the fund, its portfolio will shift from a focus on funds with growth potential to a focus on funds that will preserve capital.

## Fund Details

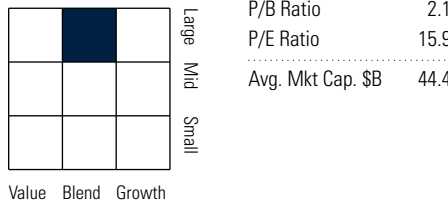
Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF595
Inception Date		July 2007	
Total Fund Assets \$Mil		1,449.4	
Series A NAV \$		10.70	
Series A MER %		1.83	
Benchmark		70% FTSE Canada 30 Day T-Bill Index 10.9% S&P/TSX Capped Composite Total Return 10.9% S&P 500 Total Return (C\$) 6.6% MSCI EAFE Total Return Net (C\$) 1.6% MSCI Emerging Markets Total Return (C\$)	
Income Distribution		Annually	
Capital Gains Distribution		Annually	
Sales Status		Open	
Min. Investment \$		500	
Subsequent Investment \$		25	
Fund Category		2025 Target Date Portfolio	
Management Company		RBC Global Asset Management Inc.	
Web Site		www.rbcgam.com	

## Portfolio Analysis as of June 30, 2019

### Asset Mix



### Equity Style



### Top 5 Sectors

Sector	% Equity
Financials	24.2
Industrials	12.3
Information Technology	11.9
Consumer Staples	9.4
Health Care	8.9

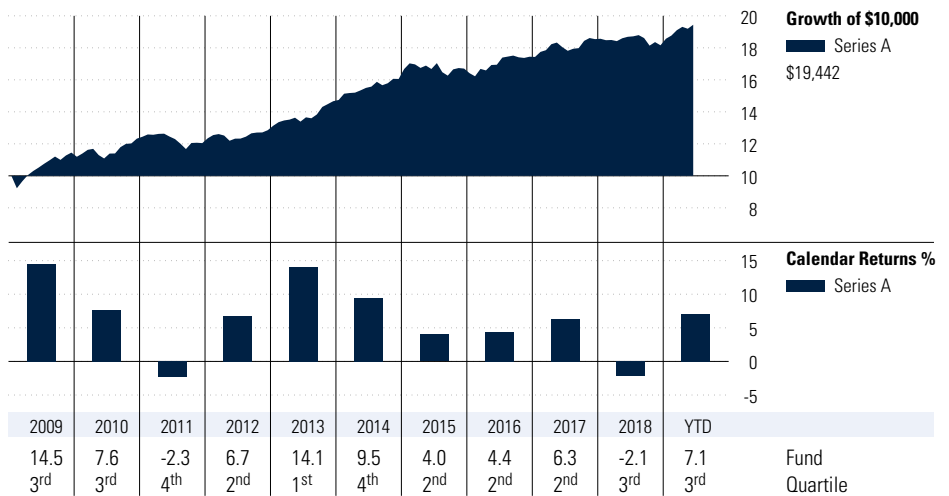
### Fixed Income Breakdown

Category	% Fixed Income
Government Bonds	53.2
Corporate Bonds	36.6
Other Bonds	2.4
Mortgage Backed Securities	0.0
ST Investments (Cash & Other)	6.6
Asset Backed Securities	1.2

### Top 25 Holdings

Holder	% Assets
RBC Bond Fund O	35.5
RBC Canadian Short-Term Income Fund O	19.2
PH&N Total Return Bond Fund O	9.9
RBC Canadian Equity Fund O	5.5
RBC Global Bond Fund O	5.0
RBC European Equity Fund O	4.4
RBC O'Shaughnessy U.S. Value Fund O	2.7
RBC Canadian Dividend Fund O	2.7
RBC QUBE Low Vol Canadian Eqty Fund O	2.7
RBC U.S. Equity Fund O	2.2
PH&N US Multi-Style All-Cap Equity Fd O	2.2
RBC Priv U.S. Large-Cap Core Eqty Pool O	2.2
RBC Emerging Markets Equity Fund O	1.6
RBC U.S. Mid-Cap Growth Equity Fund O	1.6
RBC Asia Pacific ex-Japan Equity O	1.3
RBC Japanese Equity Fund O	0.9
<b>Total % of Top 25 Holdings</b>	<b>99.5</b>
<b>Total Number of Portfolio Holdings</b>	<b>17</b>
<b>Total Number of Stock Holdings</b>	<b>1,283</b>
<b>Total Number of Bond Holdings</b>	<b>2,404</b>
<b>Total Number of Other Holdings</b>	<b>74</b>
<b>Total Number of Underlying Holdings</b>	<b>3,761</b>

## 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 %
1.3 (3 <sup>rd</sup> )	1.8 (2 <sup>nd</sup> )	7.1 (3 <sup>rd</sup> )	4.0 (4 <sup>th</sup> )	4.7 (2 <sup>nd</sup> )	4.6 (2 <sup>nd</sup> )	6.3 (2 <sup>nd</sup> )	3.5	Fund Quartile
35	35	35	34	26	16	13	—	No. of Funds in Category



# RBC Target 2025 Education Fund

## 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	—	0.42	0.36	0.25	0.43	0.75	0.40	0.12	0.17	0.13	0.11
Interest	—	0.05	0.05	0.05	0.07	0.04	0.05	0.03	0.02	0.07	0.04
Dividends	—	0.04	0.04	0.05	0.05	0.19	0.06	0.06	0.03	—	0.03
Capital Gains	—	0.33	0.27	0.14	0.30	0.52	0.28	0.03	0.12	0.06	0.04
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	23.5	5-2015	11.5	2-2014	10.4	2-2019	7.4
Worst	2-2009	-24.3	7-2010	-3.5	7-2012	-0.6	7-2017	3.4
Average		4.1		5.6		6.1		5.1
No. of Periods		132		108		84		24
Pct. Positive		78.0		92.6		94.0		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.



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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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