

PH&N U.S. Equity Fund

Investment Objective

To provide significant long-term capital growth by investing primarily in a well-diversified portfolio of quality U.S. common stocks.

Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7160
Adv	Front End	CAD	RBF6160
Adv	Low Load	CAD	RBF4160

Inception Date	November 2008
Total Fund Assets \$Mil	602.6
Series A NAV \$	76.16
Series A MER %	1.87
Benchmark	S&P 500 Total Return Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

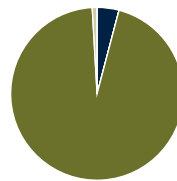
Fund Category	US Equity
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Management Company	RBC Global Asset Management Inc.
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Web Site	www.rbcgam.com
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Portfolio Analysis as of June 30, 2019

Asset Mix

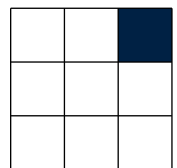


	% Assets
Cash	4.1
Fixed Income	0.0
Canadian Equity	0.0
US Equity	95.1
International Equity	0.9
Other	0.0

Top 25 Holdings

	% Assets
Microsoft Corp	5.1
Amazon.com Inc	3.8
Apple Inc	3.4
Alphabet Inc Class C	2.5
Berkshire Hathaway Inc B	2.3
Facebook Inc A	2.3
JPMorgan Chase & Co	2.0
Exxon Mobil Corp	1.9
Johnson & Johnson	1.9
Visa Inc Class A	1.8
Bank of America Corporation	1.6
Merck & Co Inc	1.5
Union Pacific Corp	1.5
Abbott Laboratories	1.5
The Walt Disney Co	1.3
Thermo Fisher Scientific Inc	1.3
Medtronic PLC	1.2
Pfizer Inc	1.1
Honeywell International Inc	1.1
Danaher Corp	1.1
Mastercard Inc A	1.1
The Home Depot Inc	1.1
Comcast Corp Class A	1.0
Cisco Systems Inc	1.0
Walmart Inc	1.0
Total % of Top 25 Holdings	45.4
Total Number of Stock Holdings	508
Total Number of Bond Holdings	0
Total Number of Other Holdings	4
Total Number of Holdings	512

Equity Style



Value Blend Growth

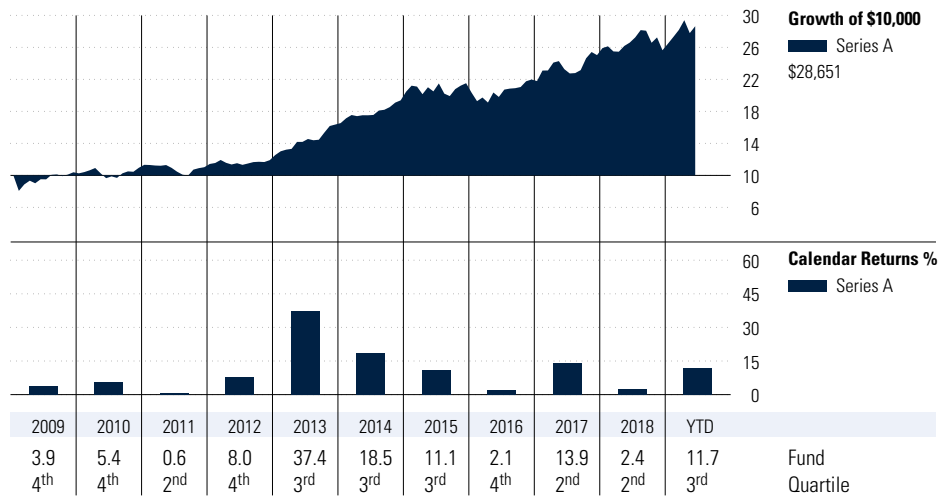
Equity Statistics

P/B Ratio	3.1
P/E Ratio	18.9
Avg. Mkt Cap. \$B	176.8

Global Equity Sectors

	% Equity
Information Technology	22.8
Financials	14.1
Health Care	14.0
Communication Services	10.5
Consumer Discretionary	9.6
Industrials	9.4
Consumer Staples	7.6
Energy	5.4
Utilities	2.7
Real Estate	2.2
Materials	1.7
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 %
3.1	1.7	11.7	7.7	13.1	10.3	11.6	10.5	Fund
3 rd	3 rd	3 rd	2 nd	2 nd	3 rd	4 th	—	Quartile
1881	1867	1836	1738	1200	801	307	—	No. of Funds in Category

PH&N U.S. Equity Fund

Management Overview

Manager Bios

Stuart Kedwell

RBC Global Asset Management Inc.

Stuart Kedwell is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1997.

Doug Raymond

RBC Global Asset Management Inc.

Doug Raymond is Senior Vice President and Co-Head, North American Equities. He has been in the investment industry since 1985.

Performance Analysis Cont'd as of June 30, 2019

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	—	—	—	—	0.19	—	—	—	—	0.12
Interest	—	—	—	—	—	0.19	—	—	—	—	0.12
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	11-2013	38.6	7-2015	23.8	11-2017	16.8	2-2019	13.0
Worst	2-2016	-9.1	11-2011	3.0	12-2018	9.4	12-2018	9.9
Average		12.2		12.7		13.7		11.7
No. of Periods		116		92		68		8
Pct. Positive		92.2		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.

PH&N U.S. Equity Fund

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.

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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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