

# PH&N Overseas Equity Fund

## Investment Objective

To achieve long-term capital growth by investing primarily in a diversified portfolio of common stocks in companies in the world's largest industrialized countries outside North America, including countries in Europe and the Far East, including Japan and Australia. This Fund is different from the Global Equity Fund because the primary focus of its investments does not include companies in the United States.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7410
Adv	Front End	CAD	RBF6410
Adv	Low Load	CAD	RBF4410

Inception Date	November 2008
Total Fund Assets \$Mil	1,419.4
Series A NAV \$	16.27
Series A MER %	2.08
Benchmark	MSCI EAFE Total Return Net Index (C\$)

Income Distribution	Annually
Capital Gains Distribution	Annually

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

Fund Category	International Equity
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Management Company	RBC Global Asset Management Inc.
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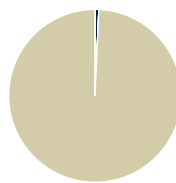
Web Site	www.rbcgam.com
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## Notes

Fund's sub-advisor changed effective mid-August 2014.

## Portfolio Analysis as of June 30, 2019

### Asset Mix

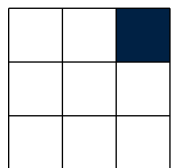


	% Assets
Cash	0.7
Fixed Income	0.0
Canadian Equity	0.0
US Equity	0.0
International Equity	99.3
Other	0.0

### Top 25 Holdings

	% Assets
Roche Holding AG Dividend Right Cert.	6.0
Unilever PLC	5.7
Deutsche Post AG	5.5
Anheuser-Busch InBev SA/NV	5.5
AIA Group Ltd	5.5
Nidec Corp	5.4
InterContinental Hotels Group PLC	5.3
Essity AB Class B	3.9
Industria De Diseno Textil SA	3.7
Oriental Land Co Ltd	3.2
HDFC Bank Ltd	3.2
St James's Place PLC	3.1
Orsted A/S	3.1
Astellas Pharma Inc	3.0
Rio Tinto PLC	3.0
MISUMI Group Inc	2.8
Partners Group Holding AG	2.8
Linde PLC	2.8
Croda International PLC	2.6
Oil Search Ltd	2.5
Erste Group Bank AG	2.4
Naspers Ltd Class N	2.4
Safran SA	2.2
Legal & General Group PLC	1.9
Taiwan Semiconductor Manufacturing ADR	1.8
<b>Total % of Top 25 Holdings</b>	<b>89.1</b>
<b>Total Number of Stock Holdings</b>	<b>35</b>
<b>Total Number of Bond Holdings</b>	<b>0</b>
<b>Total Number of Other Holdings</b>	<b>1</b>
<b>Total Number of Holdings</b>	<b>36</b>

### Equity Style



Value Blend Growth

### Equity Statistics

P/B Ratio	3.3
P/E Ratio	18.2
Avg. Mkt Cap. \$B	59.3

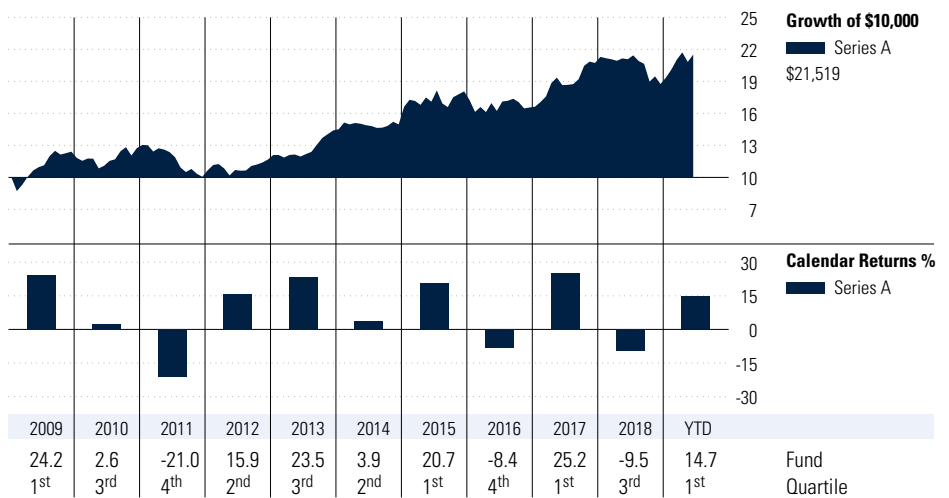
### Top 5 Sectors

	% Equity
Financials	21.1
Industrials	17.5
Consumer Staples	15.2
Consumer Discretionary	14.6
Health Care	11.1

### Geographic Allocations

	% Assets
United Kingdom	24.6
Japan	18.2
Switzerland	8.9
Belgium	6.8
Germany	5.6

## 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 %
3.3	2.2	14.7	2.1	9.9	7.6	7.0	8.2	Fund
2 <sup>nd</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	—	Quartile
843	840	828	776	494	342	182	—	No. of Funds in Category

# PH&N Overseas Equity Fund

## Management Overview

### Manager Bios

#### Habib Subjally

#### RBC Global Asset Management (UK) Limited

Habib has served as Head of Global Equities and leader of this team since 2006. Prior to that, he held positions at Head of Global Equities with First State Investments, April 2006 to March 2014, Credit Suisse (Head of Small & Mid Cap Research), Invesco (Head of Global Equities), Merrill Lynch Investment Managers (Head of North American and Global Equities Research, and Manager, Mercury Global Titans Fund) and Ernst & Young. Habib holds a BSc (Hons) from the London School of Economics and the Chartered Accountant and ASIP designations.

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

Distributions (\$)/Unit	YTD*	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Distributions	—	0.04	—	0.10	—	0.21	0.09	0.09	0.21	0.04	0.11
Interest	—	0.04	—	0.11	—	0.21	0.09	0.10	0.21	0.04	0.11
Dividends	—	—	—	—	—	—	—	—	—	—	—
Capital Gains	—	—	—	—	—	—	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	2-2010	32.6	5-2015	19.7	5-2017	13.7	2-2019	8.7
Worst	12-2011	-21.0	9-2012	-3.9	9-2014	3.3	12-2018	6.5
Average		7.9		7.6		8.7		7.7
No. of Periods		116		92		68		8
Pct. Positive		71.6		91.3		100.0		100.0

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

### Commentary as at June 30, 2019

Global equity markets rallied in the first half of 2019, rebounding from declines at the end of last year, as hopes for more accommodative central-bank policies offset uncertainty about the macroeconomic backdrop. Among the issues weighing on investors were the trade conflict between the U.S. and China and slowing global economic momentum.

All industry sectors gained during the period, with Information Technology, Industrials and Materials rebounding from declines in late 2018. The Energy and Utilities sectors lagged the broad stock market.

AB InBev, Belgian-listed global brewer, was the top contributor to relative returns, followed by AIA Group, the Hong Kong-listed provider of insurance and savings programs. Umicore, a Belgian

speciality-metals company, and Oil Search, an Australian oil and gas company, held back returns the most.

Global equities ended the period near all-time highs, and the U.S. economic expansion, at more than 10 years, is now one of the longest on record. The length of the U.S. expansion has prompted debate about whether this period of growth will begin to taper. The Fund is structured to benefit from continued economic growth but also to weather a possible downturn.

Investors need to be mindful that the forces driving equity markets higher are also helping to foster greater economic inequality. This trend is a longer-term concern for the portfolio manager.

# PH&N Overseas 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.

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 fund securities are not guaranteed or covered by the Canada 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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