

# PH&N Canadian Equity Value Fund

## Investment Objective

The fundamental investment objective of the Fund is to provide long-term capital growth. The Fund invests primarily in equity securities of Canadian issuers priced below the portfolio manager's assessment of their true value and offering long-term opportunities for growth.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF7670
Adv	Front End	CAD	RBF6670
Adv	Low Load	CAD	RBF4670
T5	No Load	CAD	RBF3670

Inception Date	December 2009
Total Fund Assets \$Mil	1,701.7
Series A NAV \$	14.61
Series A MER %	1.86
Benchmark	S&P/TSX Capped Composite Total Return Index

Income Distribution	Annually
Capital Gains Distribution	Annually

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

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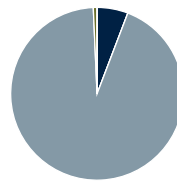
Web Site	www.rbcgam.com
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## Notes

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

## Portfolio Analysis as of June 30, 2019

### Asset Mix

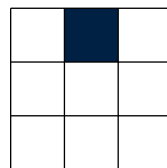


	% Assets
Cash	5.8
Fixed Income	0.0
Canadian Equity	93.5
US Equity	0.7
International Equity	0.0
Other	0.0

### Top 25 Holdings

	% Assets
The Toronto-Dominion Bank	6.9
Royal Bank of Canada	6.5
Bank of Nova Scotia	4.3
Enbridge Inc	3.9
Suncor Energy Inc	3.2
Canadian National Railway Co	3.1
Brookfield Asset Mgmt Inc Cl A	2.9
TC Energy Corp	2.9
Canadian Pacific Railway Ltd	2.7
Bank of Montreal	2.5
Canadian Natural Resources Ltd	2.3
Manulife Financial Corp	2.3
BCE Inc	2.3
Waste Connections Inc	2.2
Nutrien Ltd	2.1
Sun Life Financial Inc	1.9
Alimentation Couche-Tard Inc Class B	1.8
CIBC	1.8
Barrick Gold Corp	1.6
CGI Inc Class A	1.3
Thomson Reuters Corp	1.2
TELUS Corp	1.2
Teck Resources Ltd Class B	1.1
George Weston Ltd	1.1
Rogers Communications Inc Class B	1.1
<b>Total % of Top 25 Holdings</b>	<b>64.3</b>
<b>Total Number of Stock Holdings</b>	<b>77</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>78</b>

### Equity Style



Value Blend Growth

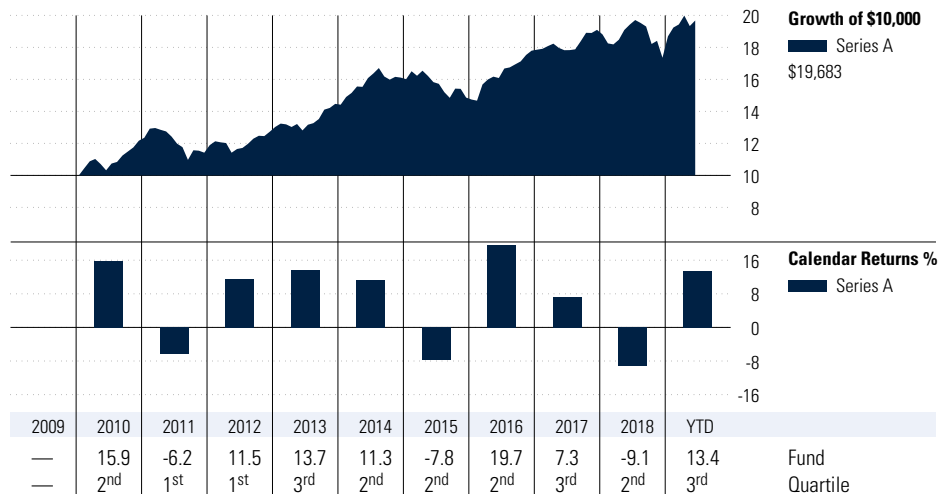
### Equity Statistics

P/B Ratio	1.6
P/E Ratio	14.1
Avg. Mkt Cap. \$B	31.9

### Global Equity Sectors

	% Equity
Financials	36.2
Energy	18.6
Industrials	14.8
Materials	8.5
Communication Services	6.4
Consumer Staples	5.9
Utilities	3.1
Real Estate	2.6
Information Technology	2.0
Consumer Discretionary	2.0
Health Care	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	1.8	1.3	13.4	1.3	7.0	4.1	—	6.8	Fund
Quartile	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	3 <sup>rd</sup>	2 <sup>nd</sup>	2 <sup>nd</sup>	—	—	Quartile
No. of Funds in Category	759	754	741	691	553	391	195	—	No. of Funds in Category

# PH&N Canadian Equity Value 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.

#### Irene Matsyalko

##### RBC Global Asset Management Inc.

Irene Matsyalko is Portfolio Manager and Senior North American Equities Research Analyst. She earned a Commerce degree from University of Toronto and is a CFA charterholder.

#### Sarah Neilson

##### RBC Global Asset Management Inc.

Sarah Neilson is Portfolio Manager and Senior North American Equities Research Analyst. Sarah earned a Bachelor of Science in Mechanical Engineering at Queens University, and an MBA from McGill University. Sarah 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	—	0.19	0.58	0.11	0.53	1.00	0.04	0.32	0.14	0.33	—
Interest	—	0.00	0.00	—	—	—	—	—	—	—	—
Dividends	—	0.05	0.09	0.11	0.06	0.04	0.04	—	—	—	—
Capital Gains	—	0.14	0.49	—	0.47	0.96	—	0.32	0.14	0.33	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	26.0	9-2014	13.8	1-2015	9.9	—	—
Worst	2-2016	-11.1	8-2017	2.3	2-2016	2.6	—	—
Average		7.2		7.3		7.1		—
No. of Periods		103		79		55		—
Pct. Positive		74.8		100.0		100.0		—

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

### Commentary as at June 30, 2019

The S&P/TSX Composite Index joined other global equity markets in rebounding from declines recorded in late 2018. A number of macroeconomic developments continue to be the focus for equity investors, including the outlook for global trade, the path and pace of global economic growth, and their combined impact on corporate earnings. The uncertain economic backdrop has resulted in central banks moving to a more cautious approach on monetary policy, which has supported equity valuations.

Relative performance of the Fund in the first half of 2019 was aided by security selection in the Utilities sector. The Fund's overweight position in TransAlta contributed to performance as shares in the Calgary-based utility advanced after Brookfield Asset Management agreed to buy TransAlta's electricity assets and invest in the company. The

Fund's overweight position in Air Canada also boosted relative performance, with the carrier's shares benefiting from a positive backdrop for air travel in Canada, and the proposed acquisitions of the Aeroplan rewards business and Air Transat.

Canada's economic outlook reflects slowing U.S. growth, trade uncertainty, moderating housing activity and competitiveness concerns. There is also considerable pressure on the Canadian energy sector due to the continuously challenging environment for the production and transportation of crude oil. On a positive note, job creation in Canada has been accelerating at a swift pace. Overall, the portfolio manager expects below average economic growth in Canada over the next year.

## PH&N Canadian Equity Value 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.

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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