



## Quarterly Commentary

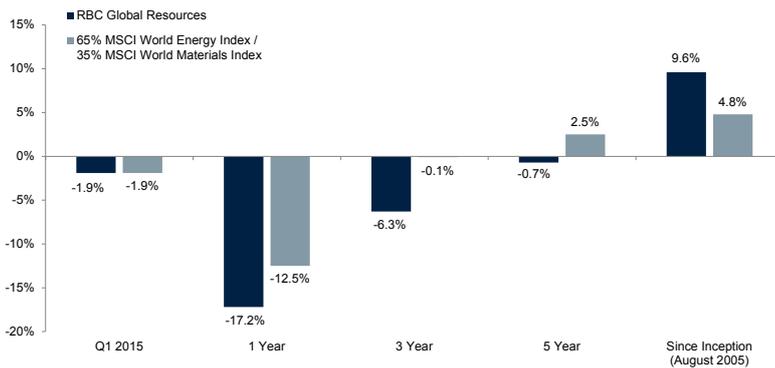
For capital markets, 2015 has so far featured continued volatility, especially within the resource sectors. After initially falling further, key global benchmarks for the price of oil began to rebound. At the same time, North American natural gas prices continued to weaken to levels not seen since the 2012 trough of this cycle.

Overall outperformance was driven by stock selection within the Energy sector, specifically the oil and gas and consumable fuels sub-sector. In Materials, the strategy lagged the benchmark. The containers and packaging sub-sector generated the best performance amongst the sub-sectors, an area of continued strength within the strategy.

Our outlook remains positive, we expect market demand for oil to surprise to the upside in the latter part of 2015. We remain constructive on copper and see the potential for a demand imbalance in the coming years as new copper mine development dries up. The strategy remains overweight in chemical companies as well as in lumber and packaging companies that have and will continue to benefit from a stronger dollar and cheaper oil and gas input costs.

## Investment Performance

Trailing performance as of 31 March 2015



## Risk Characteristics

3 Years through 31 March 2015

	Return	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
RBC Global Resources	-6.3%	15.9%	-0.4	6.3%	-1.0
RBC Global Resources Benchmark	-0.1%	14.2%	-0.0	-	-

Returns are presented gross of management fees and include the reinvestment of all income. All returns for periods greater than one year are shown on an annualized basis and have been rounded up.

Source: Bloomberg, RBC Global Asset Management.

## Portfolio Characteristics

	RBC Global Resources	RBC Global Resources Benchmark
P/E Ratio (Forward 12 mos)	21.4	17.1
Price/Cash Flow Ratio	8.1	6.9
Price/Book Value Ratio	2.0	1.7
Dividend Yield	2.2%	3.3%
EPS Growth (Forward 12 mos)	-22.6%	-27.0%
ROE (Trailing 12 mos)	6.8%	8.5%
Total Debt/Equity Ratio	0.8	0.6

## Top Ten Holdings

Company Name	Weight
Total SA	4.9%
Halliburton	4.1%
EOG Resources Inc.	3.9%
Exxon Mobil Corp	3.7%
Anadarko	3.6%
Suncor Energy Inc.	3.6%
International Flavors & Fragrances	3.1%
Bank of Nova Scotia	3.0%
Dow Chemical Company	2.5%
EQT Corporation	2.4%

## RBC GLOBAL RESOURCES

31 March 2015

### Strategy Overview

- \$198 million Assets Under Management
- Inception: August 2005
- Benchmark: 65% MSCI World Energy Index / 35% MSCI World Materials Index
- Vehicles: Segregated Account, SICAV (ISIN: LU0444594930)
- Portfolio Managers: Chris Beer & Brahm Spilfogel

### Investment Objective

To provide long-term capital appreciation by investing primarily in equity securities of companies around the world in energy and materials sectors. The strategy will invest primarily in companies that are involved directly or indirectly in the exploration, development, production or distribution of natural or other resources.

### Investment Philosophy

We believe investing in resource companies that are able to grow production, reserves and cash flow on a per-share basis can produce superior returns over the long-term. A key driver is our ability to find attractive small- and mid-cap companies with quality deposits, a strong management team, and an ability to finance future growth plans.

### Portfolio Construction

- High conviction portfolio of 30-80 holdings
- Mix of large, mid, and small cap companies
- Large cap stocks are used to control sector allocation, manage risk and to obtain exposure to leading resource companies
- Mid and small cap stocks allow the investment team to take advantage of their research expertise to identify firms that are in the early stages of development
- Maximum 10% exposure to any single name
- Regional exposure +/- 30% compared to the benchmark (absolute)
- Portfolio will typically be fully invested with a small amount of cash to provide liquidity

### Why RBC Global Resources

- Deep experience in Natural Resources
- Consistency and longevity
- Small and mid cap expertise
- North American advantage

### About RBC Global Asset Management

- Over \$300 billion Assets Under Management
- Offices in North America, Europe and Asia
- Over 300 investment professionals globally
- Part of Royal Bank of Canada, one of the highest rated, largest and safest banks in the world\*

**For more information, please contact:**

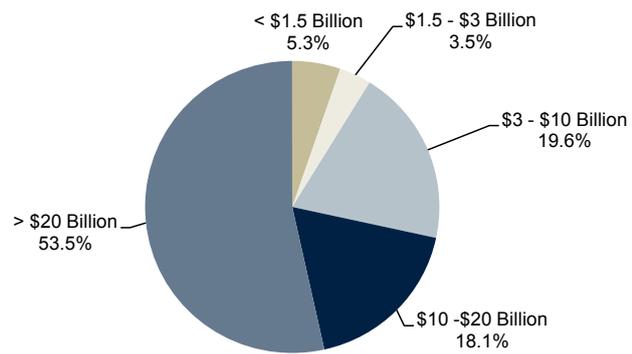
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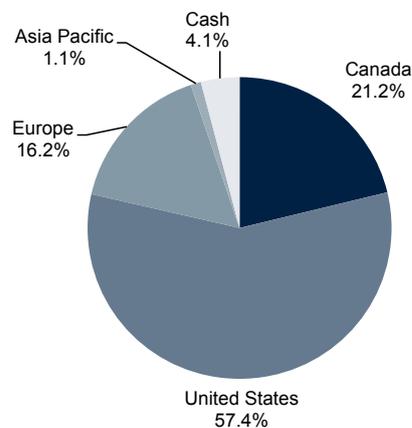
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**Market Capitalisation**



**Regional Allocation**



**Sector Allocation**

	RBC Global Resources	RBC Global Resources Benchmark
Energy	53.3%	65.0%
Materials	42.5%	35.0%
Industrials	0.2%	0.0%
Cash & Equivalents	4.1%	0.0%

**Disclosures**

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\*Ratings: S&P: AA-, Moody's: Aa3 (Bloomberg, 31.03.2015)

Ranked 5th largest bank in North America and 14th globally based on market capitalization (Bloomberg, 31.03.2015)

Ranked 2nd safest bank in North America and 16th globally (Global Finance, November 2014)

All information as at 31.03.2015 and in US dollars.

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