



# RBC Funds (Lux) – Canadian Equity Value Fund

## Investment objective

To provide long-term capital appreciation by investing primarily in equity securities of Canadian companies that provide broad exposure to economic growth opportunities in Canada.

### INVESTMENT MANAGER

RBC Global Asset Management Inc.

### BENCHMARK

S&P/TSX Capped Composite Index

### FUND SIZE (USD)

7.9mm

## Fund information

| Share class      | Mgmt fees | Total expense ratio | NAV per share | Bloomberg code | ISIN code    |
|------------------|-----------|---------------------|---------------|----------------|--------------|
| O (acc) CAD      | 0.65%     | 0.75%               | 149.50        | RBCCEQO LX     | LU0569851230 |
| A (acc) CAD      | 1.50%     | 1.80%               | 139.40        | RBCCEQA LX     | LU0610496068 |
| B (acc) CAD      | 0.75%     | 1.05%               | 149.46        | RBCCEQB LX     | LU0641092787 |
| B (dist) GBP (H) | 0.75%     | 1.05%               | 140.26        | RBCCBGH LX     | LU0954298070 |

## Investment performance (total return) \*

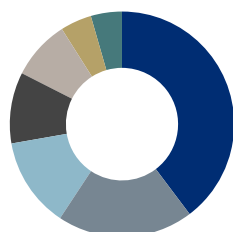
| Share class      | 1 mo. | 3 mo. | 1 yr. | 3 yr. | 5 yr. | Since inception | Launch date |
|------------------|-------|-------|-------|-------|-------|-----------------|-------------|
| O (acc) CAD      | 2.9%  | 6.1%  | 11.3% | 6.2%  | 9.1%  | 6.0%            | 15-Apr-11   |
| A (acc) CAD      | 2.8%  | 5.8%  | 10.1% | 5.1%  | 8.0%  | 4.9%            | 15-Apr-11   |
| B (acc) CAD      | 2.8%  | 6.0%  | 11.0% | 5.9%  | 8.8%  | 7.2%            | 15-Jul-11   |
| B (dist) GBP (H) | 2.7%  | 5.6%  | 10.2% | 5.8%  | --    | 8.5%            | 29-Aug-13   |
| Benchmark (CAD)  | 2.7%  | 6.6%  | 11.5% | 6.2%  | 8.4%  | 5.2%            | --          |

\* Returns more than one year are annualized. Since Inception performance is calculated from the first month-end following inception. Benchmark Since Inception performance is calculated from the first month-end following Class O (acc) CAD inception.

\* Returns may increase or decrease as a result of currency fluctuations.

## Sector breakdown

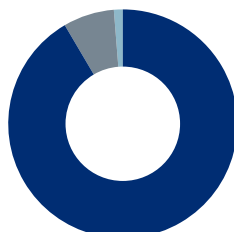
(As at October 31, 2017)



|                            |       |
|----------------------------|-------|
| Financials                 | 39.7% |
| Energy                     | 19.6% |
| Other                      | 13.0% |
| Industrials                | 10.2% |
| Materials                  | 8.5%  |
| Telecommunication Services | 4.5%  |
| Consumer Discretionary     | 4.5%  |

## Market capitalization

(As at October 31, 2017)



|               |       |
|---------------|-------|
| Large (>5B)   | 91.5% |
| Mid (1B - 5B) | 7.2%  |
| Small (<1B)   | 1.3%  |

## Top 10 holdings

Current

|                                |              |
|--------------------------------|--------------|
| Royal Bank of Canada           | 7.8%         |
| Toronto-Dominion Bank          | 7.1%         |
| Bank of Nova Scotia            | 5.3%         |
| Enbridge Inc                   | 3.9%         |
| Canadian National Railway Co   | 3.8%         |
| Bank of Montreal               | 3.6%         |
| Suncor Energy Inc              | 3.5%         |
| Canadian Natural Resources Ltd | 3.2%         |
| Brookfield Asset Mgmt Cl A     | 3.1%         |
| Manulife Financial Corp        | 3.0%         |
| <b>Total</b>                   | <b>44.2%</b> |
| <b>Cash and Equivalents</b>    | <b>6.0%</b>  |
| <b>No. of Holdings</b>         | <b>77</b>    |

## Purchases

RioCan Real Estate Investment Trust  
Bombardier Inc Cl B

## Sales

Celestica Inc  
Canadian Real Estate Investment Trust  
Endeavour Mining Corp  
Hudson's Bay Co

## Investment performance

### Top 5 contributors (for the month)

|                                | Beginning weight | Security return | Security contribution |
|--------------------------------|------------------|-----------------|-----------------------|
| Royal Bank of Canada           | 7.5%             | 4.5             | 0.34                  |
| Toronto-Dominion Bank          | 6.9%             | 4.4             | 0.30                  |
| Canadian Natural Resources Ltd | 3.0%             | 7.7             | 0.23                  |
| Bank of Nova Scotia            | 5.5%             | 3.8             | 0.21                  |
| Brookfield Asset Mgmt Cl A     | 3.3%             | 5.0             | 0.17                  |

### Bottom 5 contributors (for the month)

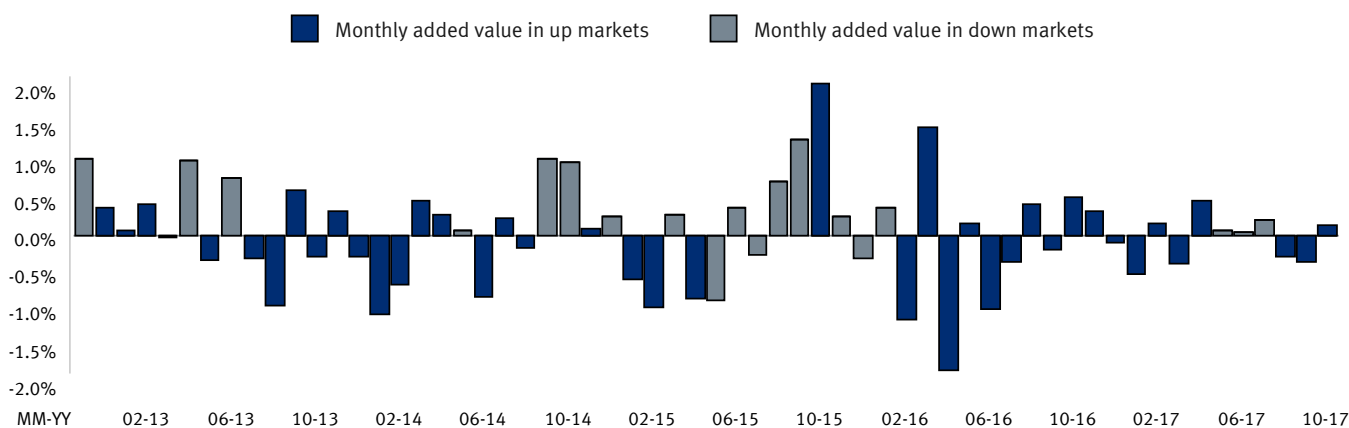
|                        | Beginning weight | Security return | Security contribution |
|------------------------|------------------|-----------------|-----------------------|
| Enbridge Inc           | 4.5%             | (4.9)           | (0.22)                |
| Barrick Gold Corp      | 1.2%             | (7.2)           | (0.08)                |
| ARC Energy Trust       | 0.7%             | (8.5)           | (0.06)                |
| Acasta Enterprises Inc | 0.5%             | (8.5)           | (0.05)                |
| Loblaw Companies Ltd   | 1.4%             | (2.2)           | (0.03)                |

## Performance attribution

|                            | Fund   |        | Benchmark |         | Attribution Effects |           |             |        |
|----------------------------|--------|--------|-----------|---------|---------------------|-----------|-------------|--------|
|                            | Weight | Return | Weight    | Return  | Allocation          | Selection | Interaction | Total  |
| Canadian Equity            | 100.00 | 12.88  | 100.00    | 11.48   | 0.78                | 1.06      | (0.43)      | 1.40   |
| Consumer Discretionary     | 5.29   | 17.88  | 5.19      | 26.00   | 0.04                | (0.39)    | 0.00        | (0.35) |
| Consumer Staples           | 4.30   | 2.34   | 3.83      | 0.38    | (0.03)              | 0.09      | 0.02        | 0.08   |
| Energy                     | 22.04  | (0.86) | 20.72     | (2.35)  | (0.13)              | 0.33      | 0.00        | 0.20   |
| Financials                 | 38.24  | 21.35  | 34.44     | 21.85   | 0.44                | (0.16)    | (0.03)      | 0.24   |
| Health Care                | 0.54   | 6.23   | 0.61      | (20.69) | 0.05                | 0.18      | (0.04)      | 0.20   |
| Industrials                | 9.02   | 24.17  | 9.16      | 25.30   | (0.05)              | (0.09)    | 0.00        | (0.15) |
| Information Technology     | 2.73   | 19.33  | 2.98      | 17.04   | 0.00                | 0.07      | (0.01)      | 0.07   |
| Materials                  | 8.96   | 7.32   | 12.04     | (1.41)  | 0.52                | 1.16      | (0.39)      | 1.29   |
| Real Estate                | 2.48   | 7.98   | 2.98      | 11.90   | (0.02)              | (0.12)    | 0.03        | (0.11) |
| Telecommunication Services | 3.60   | 7.84   | 4.93      | 10.39   | (0.01)              | (0.13)    | 0.03        | (0.10) |
| Utilities                  | 2.80   | 12.44  | 3.11      | 9.42    | (0.03)              | 0.12      | (0.04)      | 0.05   |

Attribution results are calculated over a trailing 12 month period or since inception (if data is less than 12 months). Attribution is intended to demonstrate trends in performance due to security selection and sector/country allocation and is calculated from the underlying segregated asset positions and may not add up to the total portfolio return calculated using the NAV of the fund. Fund sector/country weights in the attribution table are based on beginning market values, adjusted for purchases and sales activities during the year.

## Value added chart



Value added calculation is based on performance of Class O (acc) CAD shares.

**Important Risk Considerations:**

- **Currency Risk:** Sub-Funds are invested in securities denominated in different currencies other than the Reference currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value in the Reference Currency of any securities denominated in another currency.
- **Currency Hedging Risk:** Hedging currency risks may protect investors against a decrease in the value of the Reference Currency relative to the Hedged Share Class, but it may also preclude investors from benefiting from an increase in the value of such currencies. All costs and gains/losses of hedging transactions are borne by the relevant Hedged Share Classes.
- **Derivative Risk:** Derivative instruments are highly sensitive to changes in the value of the underlying asset that they are based on. Certain derivatives may result in losses greater than the amount originally invested.
- **Large Shareholder Risk:** Investors holding a large portion of issued and outstanding shares of a Sub-Fund are likely to incur transaction costs in case of redemptions.
- **Market Risk:** The market value of a Sub-Fund's investments will fluctuate based on specific company developments, broader equity or fixed-income market conditions, economic and financial conditions.
- **Securities Lending Risk:** The risk that the Sub-Fund may be left holding the collateral delivered by the other party to secure securities lending transactions.
- **Specialization Risk:** Sub-Funds specializing in a particular sector may lead to underperformance relative to less specialized investments.

**Important Information: This information is intended for Professional Investors and shareholders of the retail investor share class only. This document may only be distributed in countries where RBC Funds (Lux) is registered, with the exception of Belgium. The Financial Services and Markets Authority ("FSMA") in Belgium has not approved this document.**

RBC Funds (Lux) is an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg (société d'investissement à capital variable or the "SICAV") and qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Article 1, paragraph 2, points a) and b) of the Directive 2009/65/EC of July 13, 2009, as amended.

This is a marketing document and as such any information contained herein including investment and economic outlook information, opinions and estimates (collectively, the "Materials") is provided for information purposes only and does not constitute advice or an offer, solicitation, recommendation or invitation to buy or sell any securities or related financial instruments. The Materials are not directed at or intended for use by any person resident or located in any jurisdiction where (1) the distribution of such information or functionality is contrary to the laws of such jurisdiction or (2) such distribution is prohibited without obtaining the necessary licenses and such authorizations have not been obtained. The SICAV's Sub-Funds mentioned in the Materials ("Sub-Funds") may not be eligible for sale or available to residents of certain countries or to certain categories of investors.

Prospective investors should review the Prospectus and the Key Investor Information Documents ("KIIDs") of the SICAV carefully and in their entirety, and consult with their legal, tax and financial advisors in relation to (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, redeeming or disposing of the SICAV's Shares (the "Shares"); (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

Past performance is not a reliable guide to future performance. The value of investments and any income from them is not guaranteed and may fall or rise and the investor may not get back the original investment. Exchange rate movement could increase or decrease the value of underlying investments/ holdings. The Sub-Fund may be invested in securities denominated in a number of different currencies other than the Reference Currency. As a result, changes in the value of the Reference Currency compared to other currencies will affect the value, in the Reference Currency, of any securities denominated in another currency. While it is the intention of the Sub-Fund to achieve its investment objective, there can be no assurance that it will.

Index returns are for illustrative purposes only, do not represent actual fund performance and do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index.

The value of the Sub-Fund can change from day to day because the value of the securities in which it invests can be affected by changes in interest rates, the general financial market and economic conditions or individual company news. As a result, at the time of redemption, Sub-Fund Shares may be worth more or less than the original purchase price. There can be a number of risk factors that impact the value of an investment in a Sub-Fund. Investors should refer to the section called "Risk Factors" in the Prospectus before investing.

None of the Shares of the Sub-Funds has been or will be registered for sale or distribution in Canada or in the United States.

Copies of the Articles of Incorporation of the SICAV, the current Prospectus, the KIIDs and the latest financial reports may be obtained free of charge during normal office hours at the registered office of the SICAV in Luxembourg: 14, Porte de France, L- 4360 Esch-sur-Alzette, Grand Duchy of Luxembourg, or at [rbcgam.lu](http://rbcgam.lu). The Prospectus is available in the English and German languages. The KIIDs are available in the local language(s) of the jurisdictions in which the Sub-Fund(s) are registered.

The Materials are provided on an "as is, where is" basis and the SICAV, RBC Global Asset Management Inc. and its affiliates and subsidiaries ("RBC Companies") do not make any express or implied warranties, representations, or endorsements with respect to the Materials, including without limitation, warranties as to merchantability, operation, non-infringement, usefulness, completeness, accuracy, currency, reliability, correctness and fitness for a particular purpose. All opinions and estimates contained in the Materials constitute our judgment as of the indicated date of the information and are subject to change without notice. Interest rates and market conditions are subject to change.

None of the RBC Companies are responsible, and will not be liable to you or anyone else, for any damages whatsoever and howsoever caused (including direct, indirect, incidental, special, consequential, exemplary or punitive damages) arising out of or in connection with the Materials or any action or decision made by you in reliance on the Materials, or any errors in or omissions or any unauthorized use or reproduction of the Materials, even if an RBC Company has been advised of the possibility of these damages.

The full list of sources of data is available upon request. Please go to [www.rbcgam.lu](http://www.rbcgam.lu) for contact information.

©/TM Trademark(s) of Royal Bank of Canada. Used under licence.  
© RBC Global Asset Management Inc. 2016

