



# RBC Funds (Lux) – Emerging Markets Value Equity Fund

## Investment objective

To provide long-term total returns consisting of regular dividend income and capital growth by investing primarily in equity securities of companies located in or with significant business interests in emerging markets with above average dividend yields.

### INVESTMENT MANAGER

RBC Global Asset Management Inc.

### SUB-INVESTMENT MANAGER

RBC Global Asset Management (UK) Limited

### BENCHMARK

MSCI Emerging Markets (NI) Total Return Index (USD\$)

### FUND SIZE (USD)

87.6m

## Fund information

Share class	Mgmt fees	Total expense ratio	NAV per share	Bloomberg code	ISIN code
O (acc) USD	0.85%	1.15%	107.83	RBCEMVO LX	LU1217269478
O (acc) GBP	0.85%	1.15%	160.03	RBEOAGH LX	LU1327514805
O (acc) GBP (H)	0.85%	1.15%	92.46	RMVOAGH LX	LU1708194110
O (acc) EUR (H)	0.85%	1.15%	84.59	RMVOAEH LX	LU1748250849
A (acc) USD	1.90%	2.35%	103.92	RBCEMVA LX	LU1217269049
B (acc) USD	0.95%	1.40%	107.01	RBCEMVB LX	LU1217269122
B (dist) GBP (H)	0.95%	1.40%	100.81	RBCVBGH LX	LU1217269395
B (acc) EUR (H)	0.95%	1.40%	84.56	RMVBAEH LX	LU1748250922

## Investment performance (total return) - Annualised

Share class	1 mo.	3 mo.	1 yr.	3 yr.	5 yr.	Since inception	Inception date
O (acc) USD	(5.4)%	(10.5)%	5.4%	5.1%	--	2.5%	28-Apr-15
O (acc) GBP	(4.7)%	(4.9)%	3.7%	--	--	21.0%	07-Dec-15
O (acc) GBP (H)	(5.6)%	(10.9)%	--	--	--	(7.2)%	03-Nov-17
O (acc) EUR (H)	(5.7)%	(11.2)%	--	--	--	(17.4)%	19-Jan-18
A (acc) USD	(5.5)%	(10.7)%	4.2%	3.9%	--	1.3%	28-Apr-15
B (acc) USD	(5.4)%	(10.5)%	5.2%	4.9%	--	2.2%	28-Apr-15
B (dist) GBP (H)	(5.7)%	(11.0)%	2.9%	3.6%	--	1.0%	28-Apr-15
B (acc) EUR (H)	(5.7)%	(11.2)%	--	--	--	(17.4)%	19-Jan-18
Benchmark (USD)	(4.2)%	(8.0)%	8.2%	5.6%	--	3.1%	--

## Net Calendar Year Performance

Share class	2017	2016	2015	2014	2013	Cumulative Since Inception
O (acc) USD	36.7%	16.1%	--	--	--	8.0%
O (acc) GBP	24.9%	38.5%	--	--	--	61.2%
O (acc) GBP (H)	--	--	--	--	--	(7.2)%
O (acc) EUR (H)	--	--	--	--	--	(17.4)%
A (acc) USD	35.2%	14.7%	--	--	--	4.1%
B (acc) USD	36.4%	15.8%	--	--	--	7.2%
B (dist) GBP (H)	34.4%	14.7%	--	--	--	3.3%
B (acc) EUR (H)	--	--	--	--	--	(17.4)%
Benchmark (USD)	37.3%	11.2%	(14.9)%	(2.2)%	(2.6)%	10.1%

Since inception, share class performance & benchmark performance are calculated from the first month-end following the inception of the respective share classes.

Past performance is not indicative of future results and returns may increase or decrease as a result of currency fluctuations.

## Top 10 holdings

Current

Samsung Electronics Co Ltd	5.3%
Alibaba Group Holding Ltd	5.2%
China Construction Bank Cl H	4.3%
Industrial & Comm Bk of China Ltd	3.8%
Naspers Ltd ADR Cl N	3.5%
Taiwan Semiconductor Mfg	3.1%
Ping An Insurance (Grp) Co of China Ltd	2.4%
CNOOC Ltd	1.8%
Shimao Property Holdings Ltd	1.8%
Sberbank of Russia ADR	1.8%
<b>Total</b>	<b>32.9%</b>
<b>Cash and Equivalents</b>	<b>-0.1%</b>
<b>No. of Holdings</b>	<b>86</b>

## Purchases

HSBC 06.05.20 CERT /SAMBA  
Aurobindo Pharma Ltd  
Anhui Jinhe Industrial Co Ltd  
Pacific Basin Shipping Ltd  
Indah Kiat Pulp & Paper Corp Tbk PT

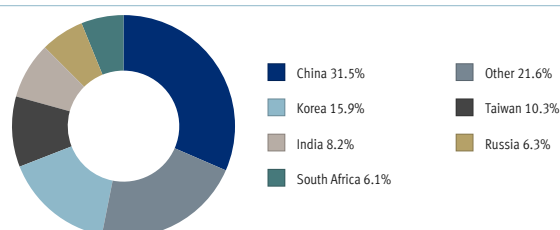
## Sales

Mando Corp  
Grupo Mexico SAB de CV  
Foschini Group Ltd/The  
Alpargatas SA

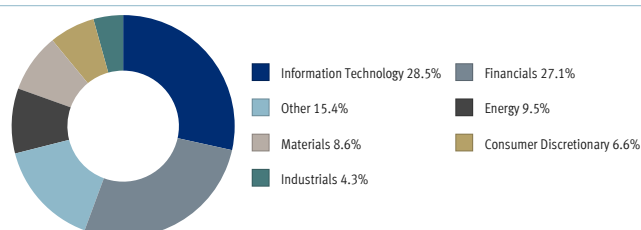
June 30, 2018

**Geographical breakdown**

(As at June 30, 2018)

**Sector breakdown**

(As at June 30, 2018)

**Investment performance****Top 5 contributors**

(for the month)

	Beginning weight	Security return	Security contribution
Naspers Ltd ADR Cl N	2.9%	6.4	0.19
GS Retail Co Ltd	0.8%	12.6	0.09
Banco Davivienda SA	1.0%	5.6	0.06
Reliance Industries Ltd	1.3%	4.2	0.05
CNOOC Ltd	1.6%	2.6	0.04

**Bottom 5 contributors**

(for the month)

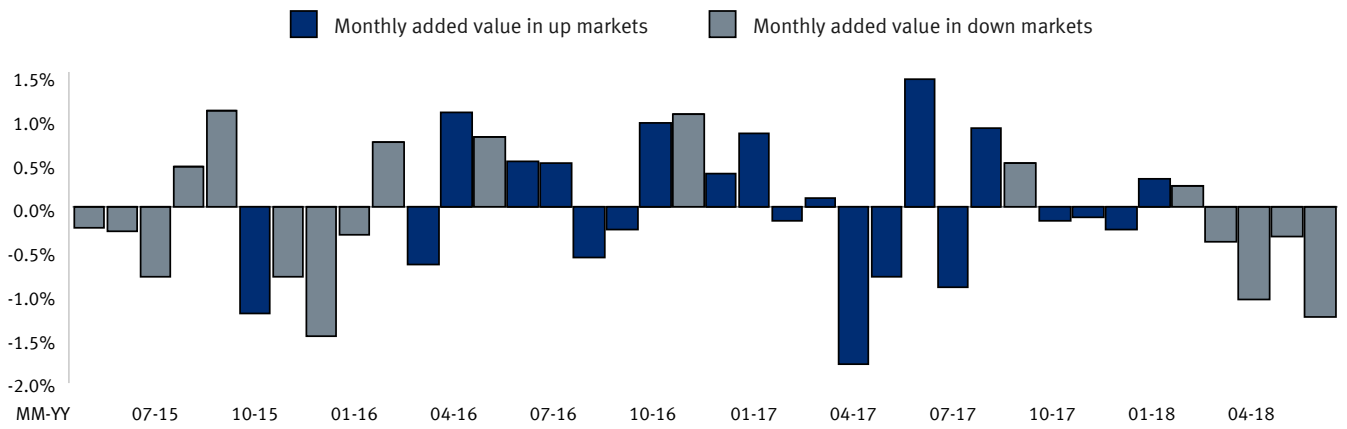
	Beginning weight	Security return	Security contribution
Samsung Electronics Co Ltd	5.6%	(11.0)	(0.61)
China Construction Bank Cl H	4.4%	(8.5)	(0.37)
Industrial & Comm Bk of China Ltd	3.8%	(9.7)	(0.37)
Alibaba Group Holding Ltd	4.9%	(6.3)	(0.31)
Standard Bank Group Ltd	1.6%	(14.5)	(0.23)

**Performance attribution**

	Fund		Benchmark		Attribution Effects					Total
	Weight	Return	Weight	Return	Currency returns	Allocation	Selection	Interaction	Currency effects	
Total Equities	100.00	7.90	100.00	8.20	--	(0.23)	0.44	0.07	(0.59)	(0.32)
Brazil	9.17	18.17	7.07	(0.33)	(14.36)	0.22	1.38	0.43	(0.44)	1.60
Chile	0.00	--	1.21	12.54	1.71	(0.02)	(0.13)	0.13	(0.01)	(0.03)
China	28.00	19.65	29.79	21.23	2.41	(0.07)	(0.27)	(0.07)	0.03	(0.38)
Colombia	0.76	17.01	0.43	20.13	3.83	0.03	0.00	0.00	(0.01)	0.02
Czech Republic	0.00	--	0.18	19.37	2.87	(0.01)	(0.03)	0.03	0.00	(0.02)
Egypt	0.59	9.62	0.12	1.94	1.29	(0.01)	0.01	0.03	0.01	0.04
Greece	0.00	--	0.34	(9.19)	2.19	0.08	0.05	(0.05)	(0.01)	0.07
Hungary	1.51	4.29	0.32	(0.59)	(4.13)	(0.08)	0.02	0.06	(0.09)	(0.09)
India	7.34	7.10	8.55	6.47	(5.62)	(0.06)	0.09	(0.08)	0.05	0.00
Indonesia	3.02	5.42	2.19	(13.08)	(6.56)	(0.19)	0.51	0.05	(0.06)	0.32
Korea	16.57	(0.98)	15.20	3.39	2.80	(0.27)	(0.69)	0.09	0.11	(0.77)
Malaysia	0.00	--	2.34	5.56	6.28	0.24	0.04	(0.04)	(0.13)	0.11
Mexico	2.15	(17.21)	3.15	(9.28)	(8.45)	0.07	(0.28)	0.10	0.06	(0.05)
Peru	0.00	--	0.39	30.70	(0.96)	(0.08)	(0.11)	0.11	0.01	(0.07)
Philippines	0.66	(1.93)	1.08	(13.91)	(5.49)	0.09	0.17	(0.10)	0.03	0.18
Poland	0.29	--	1.28	(6.16)	(1.01)	0.11	(0.31)	0.24	(0.05)	(0.01)
Qatar	0.00	--	0.58	3.45	2.09	0.06	0.00	0.00	(0.01)	0.05
Russia	6.20	13.65	3.37	25.97	0.00	0.32	(0.39)	(0.37)	0.00	(0.43)
South Africa	5.76	17.19	6.70	6.40	(4.84)	(0.15)	0.84	(0.10)	(0.07)	0.53
Taiwan	11.69	(1.19)	11.63	3.86	(0.23)	(0.09)	(0.56)	0.14	0.07	(0.45)
Thailand	1.63	2.22	2.28	12.03	2.67	0.07	(0.23)	0.12	0.05	0.02
Turkey	1.70	1.87	1.05	(26.34)	0.00	(0.48)	0.40	0.20	0.00	0.11
UAE	0.24	--	0.67	(6.01)	(0.01)	0.07	(0.03)	0.02	0.00	0.05
Pakistan	0.68	--	0.09	(30.25)	(13.81)	(0.05)	(0.03)	(0.08)	(0.12)	(0.28)
Frontier Markets	2.04	(18.55)	0.00	0.00	0.00	(0.05)	0.00	(0.80)	0.00	(0.85)

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) USD 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.
- **Emerging Markets Risk:** The price of emerging market securities is subject to higher risk of price fluctuation due to possible lack of adequate political, economic, legal, trading liquidity structures and relatively lower liquidity.
- **International Investment Risk:** Investments on an international basis are subject to uncertainties, including: changes in government policies, taxation, fluctuations in foreign exchange rates, accounting and financial reporting standards, and fluctuations in value due to discrepancy of currency.
- **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.
- **Liquidity Risk:** Under highly volatile markets, securities may not be sold as quickly or easily, which could have an influence on meeting redemption requests on demand.
- **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.
- **Shanghai-Hong Kong Stock Connect Risk:** Investments made through Stock Connect may be subject to greater risk factors to comply with Stock Connect rules and counterparty risks with respect to ChinaClear.

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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 French languages. The KIIDs are available in the local language(s) of the jurisdictions in which the Sub-Fund(s) are registered.

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