



# RBC Funds (Lux) – Emerging Markets Equity Fund

## Investment objective

To provide long-term total returns principally through capital appreciation. The Fund invests primarily in equity securities of companies domiciled in or conducting a substantial portion of their business within Emerging Markets.

### INVESTMENT MANAGER

RBC Global Asset Management Inc.

### SUB-INVESTMENT MANAGER

RBC Global Asset Management (UK) Limited

### BENCHMARK

MSCI Emerging Markets Net Index

### FUND SIZE (USD)

411.5mm

## Fund information

Share class	Mgmt fees	Total expense ratio	NAV per share	Bloomberg code	ISIN code
O (acc) USD	0.85%	1.05%	131.88	RBCEMEO LX	LU0894190932
O (acc) GBP	0.85%	1.05%	154.25	RBEMEOG LX	LU1327518038
A (acc) USD	1.90%	2.20%	138.17	RBCEMEA LX	LU0953692513
B (acc) USD	0.95%	1.25%	143.33	RBCEMEB LX	LU0953692786
B (dist) GBP (H)	0.95%	1.25%	139.01	RBCEMBH LX	LU0954298310
B (acc) EUR (H)	0.95%	1.25%	115.78	RBCMBEH LX	LU1257139557

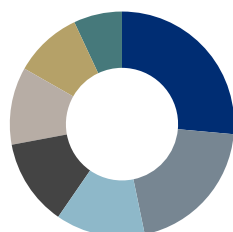
## Investment performance (total return) \*

Share class	1 mo.	3 mo.	1 yr.	3 yr.	5 yr.	Since inception	Launch date
O (acc) USD	2.2%	7.8%	19.6%	6.0%	--	6.5%	26-Mar-13
O (acc) GBP	4.6%	8.0%	21.6%	--	--	29.2%	07-Dec-15
A (acc) USD	2.1%	7.5%	18.2%	4.7%	--	8.5%	22-Aug-13
B (acc) USD	2.2%	7.7%	19.3%	5.7%	--	9.4%	22-Aug-13
B (dist) GBP (H)	2.1%	7.3%	17.8%	5.0%	--	8.9%	29-Aug-13
B (acc) EUR (H)	2.0%	7.1%	16.9%	--	--	8.8%	16-Jul-15
Benchmark (USD)	2.2%	9.4%	24.5%	2.4%	--	3.7%	--

\* Since Inception performance is calculated from the first month-end following Class O (acc) USD inception. \* Returns may increase or decrease as a result of currency fluctuations.

## Geographical breakdown

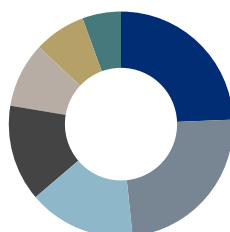
(As at August 31, 2017)



Other	26.4%
China	20.3%
India	12.9%
South Africa	12.4%
Korea	11.1%
Taiwan	9.8%
Brazil	7.0%

## Sector breakdown

(As at August 31, 2017)



Financials	24.4%
Information Technology	24.0%
Consumer Staples	15.4%
Consumer Discretionary	13.9%
Other	9.4%
Industrials	7.4%
Materials	5.6%

## Top 10 holdings

Current

Naspers Ltd ADR Cl N	5.4%
Housing Development Finance Corp Ltd	5.0%
Taiwan Semiconductor Mfg	4.2%
AIA Group Ltd	3.8%
Antofagasta Plc	3.4%
Banco Bradesco SA ADR	3.3%
Alibaba Group Holding Ltd	3.3%
Unilever Plc	3.2%
Tata Consultancy Services Ltd	3.0%
SM Investments Corp	3.0%
<b>Total</b>	<b>37.8%</b>
<b>Cash and Equivalents</b>	<b>2.2%</b>
<b>No. of Holdings</b>	<b>55</b>

## Purchases

BRAC Bank Ltd

## Sales

Guaranty Trust Bank PLC  
Quinenco SA

## Investment performance

Top 5 contributors  
(for the month)

	Beginning weight	Security return	Security contribution
Alibaba Group Holding Ltd	3.0%	11.9	0.36
Banco Bradesco SA ADR	3.2%	10.4	0.33
Antofagasta Plc	3.3%	8.5	0.28
Credicorp Ltd	2.4%	10.4	0.25
Natura Cosmeticos SA	1.2%	19.4	0.23

Bottom 5 contributors  
(for the month)

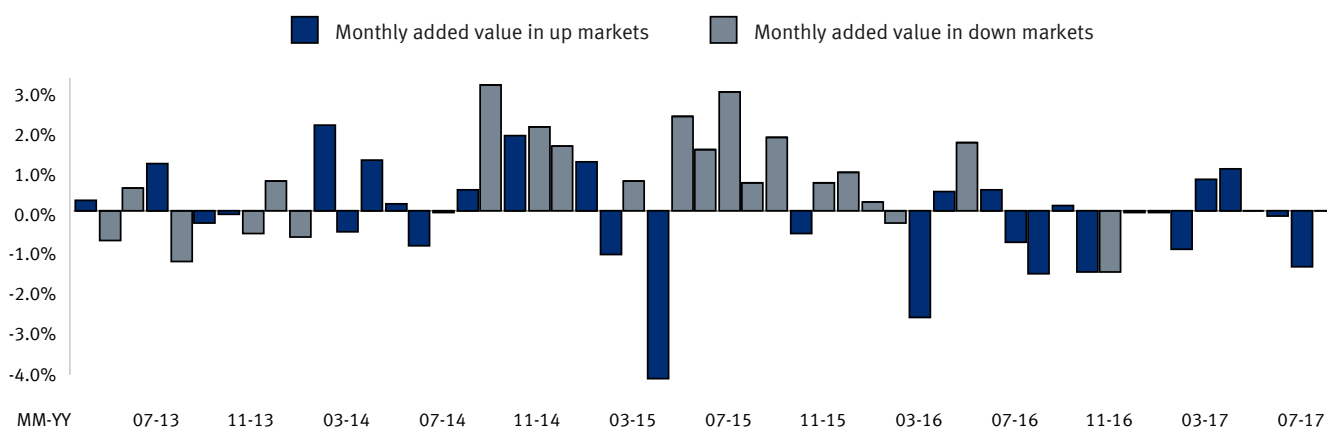
	Beginning weight	Security return	Security contribution
Dr Reddy's Laboratories Ltd ADR	2.9%	(14.2)	(0.42)
Housing Development Finance Corp Ltd	5.1%	(3.8)	(0.19)
AIA Group Ltd	3.9%	(3.9)	(0.15)
Samsung Electronics Co Ltd GDR	1.8%	(8.0)	(0.14)
Samsung Electronics GDR	3.1%	(3.6)	(0.11)

## Performance attribution

	Fund		Benchmark		Attribution Effects					Total
	Weight	Return	Weight	Return	Currency returns	Allocation	Selection	Interaction	Currency effects	
Total Equities	100.00	21.04	100.00	24.53	--	(2.74)	(5.39)	4.26	0.32	(3.55)
Brazil	6.98	17.38	7.53	24.40	3.14	0.15	(0.45)	(0.14)	(0.05)	(0.49)
Chile	4.32	77.98	1.19	32.58	8.70	0.04	0.48	1.04	0.30	1.86
China	19.53	33.18	27.15	35.00	1.33	(0.94)	(0.44)	0.03	(0.20)	(1.54)
Colombia	0.00	--	0.44	11.44	0.24	0.05	(0.05)	0.05	0.00	0.05
Czech Republic	0.00	--	0.17	22.43	10.56	0.02	(0.02)	0.02	(0.02)	0.00
Egypt	0.00	--	0.15	(16.19)	(49.52)	(0.05)	(0.08)	0.08	0.12	0.07
Greece	0.00	--	0.35	44.08	6.54	(0.05)	(0.13)	0.13	(0.03)	(0.08)
Hungary	0.00	--	0.30	50.27	8.22	(0.05)	(0.13)	0.13	(0.03)	(0.08)
India	13.79	6.61	8.55	17.46	4.74	(0.53)	(1.02)	(0.58)	0.26	(1.87)
Indonesia	3.32	10.38	2.55	8.89	(0.66)	(0.11)	0.04	0.01	(0.01)	(0.06)
Korea	11.32	16.96	14.91	23.96	(0.66)	(0.10)	(1.07)	0.23	0.06	(0.87)
Malaysia	1.62	(3.87)	2.50	2.50	(5.16)	0.16	(0.20)	(0.05)	(0.06)	(0.16)
Mexico	1.27	(14.82)	3.62	16.53	5.85	0.27	(1.34)	0.86	(0.14)	(0.35)
Peru	2.56	31.02	0.38	32.83	4.85	0.11	(0.01)	(0.04)	0.13	0.20
Philippines	3.06	6.69	1.23	(6.69)	(8.73)	(0.40)	0.21	0.30	(0.22)	(0.12)
Poland	0.23	--	1.19	54.77	9.80	(0.18)	(0.54)	0.42	(0.22)	(0.51)
Qatar	0.00	--	0.81	(14.52)	(1.03)	0.31	0.13	(0.13)	0.01	0.32
Russia	1.06	6.43	3.73	18.93	0.00	0.06	(0.55)	0.37	0.00	(0.12)
South Africa	10.88	36.84	6.85	21.68	12.95	(0.47)	0.98	0.66	0.51	1.68
Taiwan	9.74	18.79	12.23	27.64	5.40	0.03	(1.08)	0.21	(0.20)	(1.03)
Thailand	2.72	16.54	2.22	13.11	4.33	(0.04)	0.11	0.06	0.11	0.23
Turkey	1.80	18.12	1.11	25.46	0.00	0.13	(0.08)	(0.16)	0.00	(0.11)
UAE	0.96	(8.25)	0.79	9.16	0.01	(0.01)	(0.16)	(0.03)	0.00	(0.20)
Frontier Markets	4.85	13.16	0.00	0.00	0.00	(1.14)	0.00	0.79	0.00	(0.36)

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.

This report is incomplete without the Legal Disclaimer included on the last page

**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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